

2023

Standalone Annual Report of Echo Investment S.A.



 CitySpace w MidPoint71, Wrocław

ECHO
investment

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Standalone financial statements of Echo Investment S.A. in 2023



About Echo Investment S.A.

Echo Investment S.A.'s core activity consists in the construction, lease and sale of office and retail buildings, construction and sale of residential buildings as well as trade in real estate. Echo Investment S.A. (later referred to as Echo or the Company), with its registered office in Kielce, al. Solidarności 36, was registered in Kielce on 23 July 1992. Echo is a Joint Stock Company entered into the National Court Register under no. 0000007025 by the

District Court in Kielce, 10th Economic Department of the National Court Register. Since 5 March 1996, the Company's shares are quoted at the Warsaw Stock Exchange on the regulated market. They are included into Warsaw Stock Exchange Index WIG, sWIG80 subindex, as well as sector index WIG-Real Estate. The Company was established for an indefinite period of time.

Information on the financial statement

The statements of the Echo Investment S.A. present financial data for the 12-month period ending on 31 December 2023 and comparative data for the 12-month period ending on 31 December 2022.

The financial statements have been drawn up in accordance with the historical cost principle with the exception of investment property, which was measured at fair value. Items included in the Company's financial statements are measured in the currency of the primary economic environment in which the operations are conducted („functional currency”). Financial data are presented in Polish zlotys, which is the functional and presentation currency of the Company, rounded up to the nearest PLN thousand, unless specified otherwise in specific situations.

Declaration of conformity

The statements have been prepared in compliance with the International Financial Reporting Standards (IFRS), as adopted by the European Commission. To fully understand the financial situation and business results of the Company as the parent company of the Echo Investment Capital Group, these financial statements should be read together with the full consolidated financial statements for the 12-month period ending on 31 December 2023. The consolidated financial statements are available at the Company's website en.echo.com.pl.

Assumption of continuity in operations

The statements have been drawn up according to the going concern principle as there are no circumstances indicating a threat to continued activity.

The surplus of short-term liabilities over current assets is PLN 285 million. The net working capital (current assets less current liabilities) for Echo Investment S.A. as at 30 June 2023 amounts to a negative level of PLN 110 million. However, the Company's Management Board does not see a threat to the continuation of its business, as the Company's stability should be considered taking into account the situation in the Echo Investment Group, i.e. together with its subsidiaries, through which a significant part of the business is carried out, and also taking into consideration the possible distribution of profits from the subsidiaries to Echo Investment S.A.

Approval of financial statements

The Company drew up the Separate Financial Statement for the year ended 31 December 2023, which was approved for publication on 27 March 2024. The Management Board of the Company has used its best judgment regarding the application of standards and interpretations, as well as the methods and principles of measurement of individual items of separate financial statements.

CHAPTER 1



Standalone statement of financial position

Standalone statement of financial position [PLN '000]

	Note	31.12.2023	31.12.2022
Assets			
Non-current assets			
Intangible assets	1	182	4 807
Property, plant and equipment	2	20 591	41 952
Investment property		445	445
Investments in subsidiaries, jointly controlled entities and associates	3	1 853 828	1 551 065
Long-term financial assets	4	11 115	12 409
Loans granted	5	643 423	502 672
Derivative financial instruments	6	-	26 251
Leasing receivables	7	31 266	38 546
Deferred tax asset		-	-
		2 560 850	2 178 147
Current assets			
Inventory	8	138 108	119 441
Current tax assets	9	3 967	2 154
Other taxes receivable	9	-	1 183
Trade and other receivables	9	82 413	69 182
Short-term financial assets	4	-	64 157
Loans granted	5	104 741	567 908
Derivative financial instruments	6	9 392	-
Other financial assets	10	3 534	-
Cash and cash equivalents	10	101 552	116 073
		443 707	940 098
Total assets		3 004 557	3 118 245

Standalone statement of financial position [PLN '000]

	Note	31.12.2023	31.12.2022
Equity and liabilities			
Equity			
Share capital	11	20 635	20 635
Supplementary capital	11	704 295	704 295
Dividend fund	11	305 589	296 169
Profit / (loss) from previous years		(50 000)	(50 000)
Net profit		50 254	100 212
		1 030 773	1 071 311
Long-term liabilities			
Loans, borrowings and bonds	12	1 190 051	1 161 537
including from subsidiaries		120 591	57 576
Deffered income tax provison	12	4 627	12 396
Deposits and advances received	12	2 988	2 737
Lease liabilities	12	44 895	65 353
Derivative financial instruments	12	-	-
Other liabilities	12	2 176	4 558
		1 244 737	1 246 581
Short-term liabilities			
Loans, borrowings and bonds	12	589 068	606 851
- including from subsidiaries		22 394	150 913
Income tax payable	13	105	5
Other taxes liabilities	13	1 220	1 831
Trade payable	13	36 646	20 137
Deposits and advances received	13	45 302	9 788
Lease liabilities	13	23 139	30 793
Short-term provision	14	9 273	11 928
Other liabilities	13	24 294	119 020
		729 047	800 353
Total equity and liabilities		3 004 557	3 118 245

Standalone profit and loss account

Standalone profit and loss account [PLN '000]

	Note	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Revenue	16	132 748	353 735
Cost of sales	17	(74 228)	(237 673)
Gross profit		58 520	116 062
Profit / (loss) on investment property		-	-
Administrative costs associated with project implementation	17	(15 562)	(22 844)
Selling expenses	17	(12 539)	(18 698)
General and administrative expenses	17	(94 284)	(73 599)
Other operating income	18	230 651	283 816
- including interests and amortised costs (SCN) from borrowings and bond		47 115	83 984
Other operating expenses	18	(9 456)	(30 590)
Operating profit		157 330	254 147
Financial income	19	226	749
Financial cost	19	(155 298)	(159 969)
Profit/(loss) on derivative instruments	20	14 572	6 691
Profit/(loss) on exchange rate differences	20	24 925	(1 906)
Profit before tax		41 755	99 712
Income tax	21	8 499	500
Net profit		50 254	100 212
Net profit		50 254	100 212
Weighted average number of ordinary shares		412 690 582	412 690 582
Profit per one ordinary share (PLN)		0,12	0,24
Diluted weighted average number of ordinary shares		412 690 582	412 690 582
Diluted profit per one ordinary share (PLN)		0,12	0,24

Standalone statement of financial result and other comprehensive income

Standalone statement of financial result and other comprehensive income [PLN '000]

	Note	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Net profit		50 254	100 212
Total comprehensive income		50 254	100 212
Total earnings per common share		0,12	0,24

Standalone statement of changes in equity

Standalone statement of changes in equity [PLN '000]

	Note	Share capital	Supplemen- tary capital	Dividend fund	Advanced divident payment	Profit for the current year	Equity total
As at 1 January 2023		20 635	704 295	296 169	(50 000)	100 212	1 071 311
Changes during the period:							
Distribution of the result from previous years		-	-	9 420	-	(9 420)	-
Dividend paid*	11	-	-	40 792	50 000	(90 792)	-
Dividend approved for payment**	11	-	-	(40 792)	(50 000)		(90 792)
Net profit for the period		-	-	-	-	50 254	50 254
Total changes		-	-	9 420	-	(49 958)	(40 538)
As at 31 December 2023		20 635	704 295	305 589	(50 000)	50 254	1 030 773
As at 1 January 2022		20 635	704 295	413 912	(14 000)	27 842	1 152 684
Changes over the period:							
Division of the result from previous years		-	-	13 842	14 000	(27 842)	-
Dividend paid	11	-	-	(90 793)	-	-	(90 793)
Dividend approved for payment	11	-	-	(40 792)	(50 000)	-	(90 792)
Net profit for the period		-	-	-	-	100 212	100 212
Total changes		-	-	(117 743)	(36 000)	72 370	(81 373)
As at 31 Decemberr 2022		20 635	704 295	296 169	(50 000)	100 212	1 071 311

* Pursuant to the resolution of the Ordinary General Meeting of Shareholders, EI SA paid shareholders a dividend in the amount of PLN 90,791,928.04, which was PLN 0.22 per share. The advance dividend in the amount of PLN 90,791,928.04 was paid by the Company on 2 February 2023

* On 5 October 2023, the Management Board of Echo Investment S.A. adopted a resolution on the conditional payment of an advance payment of future dividend for the financial year 2022. The advance dividend amounted to PLN 90,791,928.04, i.e. 0.22 per 1 share and was paid by the Company on 10 November, 2023.

Standalone cash flow statement

Standalone statement of changes in equity [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Operating cash flow — indirect method		
I. Profit before tax	41 755	99 712
II. Adjustments	(84 296)	(93 457)
Depreciation	8 112	10 024
Foreign exchange gains / (losses)	(21 425)	1 889
Interest and profit sharing (dividends)	(66 699)	(133 421)
Profit / (loss) on revaluation of assets and liabilities	(10 774)	27 556
Profit (loss) on sale of fixed assets and investment properties	1 403	(82)
Profit/(loss) on derivative instruments	5 087	577
III. Changes in working capital	5 777	(43 123)
Change in provisions	(2 015)	4 072
Change in inventory	(13 384)	157 649
Change in receivables	(13 236)	15 884
Change in short-term liabilities, except for loans and borrowings	34 412	(223 132)
Change in restricted cash	-	2 404
IV. Net cash generated from operating activities (I +/- II +/- III)	(36 764)	(36 868)
V. Income tax paid	(1 852)	(3 718)
VI. Net cash generated from operating activities (IV+/-V)	(38 616)	(40 586)
Cash flows from investing activities		
I. Inflows	1 236 372	910 253
From financial assets, including:	1 236 372	910 253
a) in affiliated entities	1 236 372	910 253
disposal of financial assets	43 480	47 000
dividends and profit sharing	182 843	170 108
repayment of loans granted	956 953	649 739
interest	53 096	43 406
II. Outflows	(919 948)	(357 176)
Purchase of intangible assets and PP&E	(57)	(6 705)
On financial assets, including:	(648 916)	(213 721)
a) in affiliated entities	(648 916)	(213 721)

Standalone statement of changes in equity [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
acquisition of financial assets	-	(17)
loans granted	(648 916)	(213 704)
Other investment outflows	(270 975)	(136 750)
Net cash flow from investment activities	316 424	553 077
Net cash flow from financing activities		
I. Inflows	301 773	233 234
Loans and borrowings	-	822
Issue of debt securities	290 000	225 000
Other investment inflows	11 773	7 412
II. Outflows	(590 568)	(703 891)
Dividends and other payments to equity holders	(181 584)	(90 792)
Repayment of loans and borrowings	(50 317)	(166 712)
Redemption of debt securities	(180 342)	(301 410)
Due to other financial liabilities	-	(144)
Payments of liabilities under lease contracts	(10 563)	(13 221)
Interests	(161 403)	(120 244)
Other investment outflows	(6 359)	(11 368)
Net cash flow from financing activities	(288 795)	(470 657)
Total net cash flows	(10 987)	41 834
Balance sheet change in cash, including:	(10 987)	41 834
change in cash due to foreign exchange gains/losses	-	-
Cash and cash equivalents at the beginning of the period	116 073	74 239
Cash and cash equivalents at the end of the period	105 086	116 073

CHAPTER 2

Explanatory notes



Explanatory notes to the standalone statement of financial position

NOTE 1A

Intangible assets [PLN '000]

	31.12.2023	31.12.2022
Acquired concessions, patents, licenses and similar assets, including:	182	770
computer software	179	770
Intangible assets under construction	-	4 037
Total intangible assets	182	4 807

The Company did not make any impairment losses in the “intangible assets” item in the periods covered by these

financial statements. The Company has no contractual obligations as at 31 December 2023.

NOTE 1B

Changes in intangible assets - by types [PLN '000]

For the period from 1.01.2023 — 31.12.2023	Purchased permits, patents, licences and similar assets	Software	Other	Total intangible assets
Gross value of PP&E at the beginning of the period	8 754	8 754	-	8 754
Increases	3	-	3	3
- due to purchase	3	-	3	3
- due to inventory	-	-	-	-
Decreases	(1 223)	(1 223)	-	(1 223)
- due to sale	-	-	-	-
- due to contribution	(1 223)	(1 223)	-	(1 223)
Gross PP&E at the end of the period	7 534	7 531	3	7 534
Accumulated depreciation at the beginning of the period	(7 984)	(7 984)	-	(7 984)
Depreciation for the period	632	632	-	632
- planned	(527)	(527)	-	(527)
- due to contribution	1 159	1 159	-	1 159
Accumulated depreciation at the end of the period	(7 352)	(7 352)	-	(7 352)
Net amount of intangible assets at the end of the period	182	179	3	182

All intangible assets held by the entity were acquired.
Depreciation methods applied and useful lives adopted or depreciation rates applied for:

- obtained concessions, patents, licences and similar assets: the straight-line method, 50 percent depreciation booked to general and administrative costs,

Changes in intangible assets - by types [PLN '000]

For the period from 1.01.2022 — 31.12.2022	Purchased permits, patents, licences and similar assets	Software	Other	Total intangible assets
Gross value of PP&E at the beginning of the period	12 562	9 852	2 710	12 562
Increases	374	374	-	374
- due to purchase	374	374	-	374
- due to liquidation	-	-	-	-
Decreases	(4 182)	(1 472)	(2 710)	(4 182)
- due to sale	-	-	-	-
- due to inventory	(4 182)	(1 472)	(2 710)	(4 182)
Gross PP&E at the end of the period	8 754	8 754	-	8 754
			-	
Accumulated depreciation at the beginning of the period	(10 943)	(9 149)	(1 794)	(10 943)
Depreciation for the period	2 959	1 165	1 794	2 959
planned	(1 214)	(1 214)	-	(1 214)
- due to inventory	4 173	2 379	1 794	4 173
Accumulated depreciation at the end of the period	(7 984)	(7 984)	-	(7 984)
Net amount of intangible assets at the end of the period	770	770	-	770

NOTE 2A

Property, plant and equipment [PLN '000]

	31.12.2023	31.12.2022
PP&E, including:	20 591	41 952
land	-	88
buildings, premises, civil and water engineering structures	16 613	32 917
plant and machinery	453	22
means of transport	3 008	7 102
other PP&E	517	1 823
PP&E under construction	-	-
Advances on PP&E under construction	-	-
Total property, plant and equipment	20 591	41 952

The Company did not make any impairment losses on property, plant and equipment in the periods covered by these financial statements.

The Company has no collateral established on fixed assets.

Changes in property, plant and equipment - by types [PLN '000]

For the period 1.01.2023 — 31.12.2023	Own land	Buildings and structures	Technical equipment	Means of transport	Other PP&E	Total
Gross value of PP&E at the beginning of the period	100	46 239	1 947	12 498	5 349	66 133
Increases	-	2 711	462	495	-	3 668
- due to purchase	-	-	462	-	-	462
- due to lease	-	2 711	-	495	-	3 206
Decreases	(100)	(19 998)	(279)	(5 262)	(1 709)	(27 348)
- due to liquidation	-	(2 421)	-	-	-	(2 421)
- due to contribution	(100)	(17 577)	(269)	(3 701)	(1 677)	(23 324)
- due to leasing	-	-	-	(1 246)	-	(1 246)
- due to sale	-	-	(10)	(315)	(32)	(357)
Gross PP&E at the end of the period	-	28 952	2 130	7 731	3 640	42 453
Accumulated depreciation at the beginning of the period	(12)	(13 322)	(1 925)	(5 396)	(3 526)	(24 181)
Depreciation for the period	(1)	(4 864)	(21)	(1 254)	(297)	(6 437)
- due to depreciation	(1)	(455)	(27)	-	(330)	(813)
- due to sale	-	-	6	315	33	354
- due to lease	-	(4 409)	-	(1 569)	-	(5 978)
- due to liquidation	-	-	-	-	-	-
Decreases	13	5 847	269	1 927	700	8 756
- due to lease	-	-	-	-	-	-
- due to liquidation	-	969	-	-	-	969
- due to contribution	13	4 878	269	1 927	700	7 787
Accumulated depreciation at the end of the period	-	(12 339)	(1 677)	(4 723)	(3 123)	(21 862)
Net value of fixed assets at the end of the period	-	16 613	453	3 008	517	20 591
Including asset on usefruct	-	13 941	-	3 008	-	16 949

Changes in property, plant and equipment - by types [PLN '000]

For the period 1.01.2022 — 31.12.2022	Own land	Buildings and structures	Technical equipment	Means of transport	Other PP&E	Total
Gross value of PP&E at the beginning of the period	100	43 209	3 433	12 693	4 105	63 540
Increases	-	3 091	12	3 259	1 982	8 344
- due to purchase	-	2 186	12	4	1 982	4 184
- due to lease	-	905	-	3 255	-	4 160
Decreases	-	(61)	(1 498)	(3 454)	(738)	(5 751)
- due to inventory	-	(61)	(1 485)	-	(461)	(2 007)
- due to lease	-	-	-	(2 929)	-	(2 929)
- due to sale	-	-	(13)	(525)	(277)	(815)
Gross PP&E at the end of the period	100	46 239	1 947	12 498	5 349	66 133
Accumulated depreciation at the beginning of the period	(10)	(8 297)	(3 346)	(6 120)	(3 267)	(21 040)
Depreciation for the period	(2)	(5 025)	1 421	(2 249)	(259)	(6 114)
- due to depreciation	(2)	(365)	(27)	(3)	(996)	(1 393)
- due to sale	-	-	13	523	272	808
- due to lease	-	(4 721)	-	(2 769)	-	(7 490)
- due to inventory	-	61	1 435	-	465	1 961
Decreases	-	-	-	2 973	-	2 973
- due to leasing	-	-	-	2 973	-	2 973
Accumulated depreciation at the end of the period	(12)	(13 322)	(1 925)	(5 396)	(3 526)	(24 181)
Net value of fixed assets at the end of the period	88	32 917	22	7 102	1 823	41 952
Including asset on usufruct	-	30 184	-	5 412	-	35 596

NOTE 3A

Interests and shares [PLN '000]

	31.12.2023	31.12.2022
Investments in subsidiaries and joint ventures		
in subsidiaries	1 552 382	1 322 602
in joint ventures	301 446	228 463
Total interests and shares	1 853 828	1 551 065

In accordance with IAS 36, when assessing the existence of indications of possible impairment of assets related to the Archicom Group, the Management Board analyzed the indication that the carrying value of the net assets of the entity preparing the financial statements is lower than the value of their market capitalization.

Due to the lack of evidence, as at December 31, 2023, the Company did not conduct an impairment test for Archicom.

NOTE 3B

Changes in interests and shares [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Opening balance, including:	1 551 065	1 487 983
shares and interests	1 551 065	1 487 983
Increases	366 530	115 063
due to purchase of interests	57	16
due to capital increase	366 473	115 047
Decreases	(63 767)	(51 981)
due to sale of interests	-	(1 251)
due to capital decrease	(32 620)	(47 000)
due to liquidation of entity	(4 071)	(2 894)
due to contribution	(2 494)	-
due to write-down on assets	(24 582)	(836)
Closing balance, including:	1 853 828	1 551 065
shares and interests	1 945 726	1 619 641
due to write-down on assets value	(91 898)	(68 576)

Changes in the Echo Investment Group in 2023

Acquisition of shares

Company	Value [PLN '000]
DKRA Sp. z o.o.	57

Capital increase

Company	Value [PLN '000]
Projekt Echo - 116 Sp. z o.o.	430
Projekt Echo - 141 Sp. z o.o.	90
Projekt Echo - 136 Sp. z o.o.	650
Projekt Echo - 135 Sp. z o.o.	120
Seaford Sp. z o.o.	150
Grupa Echo Sp. z o.o.	1 650
City Space Management Sp. z o.o.	19 150
Echo - Property Poznań 1 Sp. z o.o.	2 750
Gosford Investments Sp. z o.o.	4 500
Galeria Nova - Grupa Echo Sp. z o.o. S.K.A.	65 000
Projekt Echo - 139 Sp. z o.o.	2 000
Perth Sp. z o.o.	97 000
R4R Poland Sp. z o.o.	2 475
Rosehill Investments Sp. z o.o.	70 508
Projekt Echo - 137 Sp. z o.o.	100 000

Liquidation

Company	Value [PLN '000]
Echo - Opolska Business Park Sp. z o.o. w likwidacji	-
Projekt Echo - 113 Sp. z o.o. w likwidacji	-
Projekt Echo - 128 Sp. z o.o. w likwidacji	-
Projekt Echo - 131 Sp. z o.o. w likwidacji	-
Projekt Echo - 112 Sp. z o.o. w likwidacji	-
Pure Systems Sp. z o.o. w likwidacji	1
Projekt 1 - GE Sp. z o.o. S.K.A. w likwidacji	3 928
Kielce - GE Sp. z o.o. S.K.A. w likwidacji	142

Write-downs on interests

Company	Value [PLN '000]
Projekt Echo - 135 Sp. z o.o.	120
Seaford Sp. z o.o.	150
Grupa Echo Sp. z o.o.	1 650
City Space Management Sp. z o.o.	19 150
Projekt Echo - 141 Sp. z o.o.	90
Projekt Echo - 116 Sp. z o.o.	430
Echo - Property Poznań 1 Sp. z o.o.	2 488
PHS - Grupa Echo Sp. z o.o. Sp.k.	248
Projekt Echo - 108 Sp. z o.o.	60
Projekt Echo - 121 Sp. z o.o.	21
Projekt Echo - 144 Sp. z o.o.	26
Projekt Echo - 145 Sp. z o.o.	26
Selmer Investments Sp. z o.o.	21
Malta Office Park - GE Sp. z o.o. S.K.A.	64
Galeria Tarnów - Grupa Echo Sp. z o.o. S.K.A.	38

Contribution

Company	Value [PLN '000]
Archicom S.A.	(2 494)

Contribution reduction

Company	Value [PLN '000]
Projekt Echo - 136 Sp.k.	32 620

On 1 August 2023, Echo Investment S.A. (Echo) entered into agreements with Archicom S.A. (the Company):

1. the agreement to acquire 22,825,700 (say: twenty-two million eight hundred and twenty-five thousand and seven hundred) C1, C2, C3, C4, C5-series ordinary registered shares in the Company's share capital, with a nominal value of PLN 10 (say: ten zlotys) each and a total nominal value of PLN 228,257,000 (say: two hundred and twenty-eight million two hundred and fifty-seven thousand zlotys) for an issue price of PLN 36.34 (say: thirty-six and 34/100) zlotys for each share in exchange for a contribution in kind in the form of an organized part of the enterprise, that constitutes an organizationally, financially and functionally separated set of tangible and intangible components, involving the residential segment of Echo's business, organizationally named as the "Residential Business Division of Echo Investment S.A." ("In-kind contribution"), the value of which, according to the valuation prepared by Grant Thornton Frackowiak P.S.A. as of 31 March 2023, amounts to PLN 829,487,384 (in words: eight hundred and twenty-nine million, four hundred and eighty-seven thousand, three hundred and eighty-four), by way of a private placement; and
2. the agreement on the transfer of the organized part of the enterprise to the Company, including the assets and activities of Echo's residential segment, separated organizationally as the "Residential Business Division of Echo Investment S.A." referred to in Resolution No. 3/VII/2023 of the Company's Extraordinary General Meeting of 27 July 2023 on increasing the share capital by issuing new shares of C1, C2, C3, C4, C5-series by way of a private placement, depriving existing shareholders in full of their pre-emptive rights to all C1, C2, C3, C4, C5-series shares, amending the Company's Articles of Association, and dematerializing C1, C2, C3, C4, C5-series shares.

The Company is a subsidiary of Echo, as Echo holds directly and indirectly a total of 20,481,901 shares representing a total of approx. 79.79 percent of the share capital.

The transaction related to the increase of the Company's share capital in exchange for the In-kind contribution in the form of the organized part of the enterprise to the Company is in the interest of the Company and its non-affiliated shareholders, including minority shareholders. As a result of the transaction, each company will have the opportunity to specialize in its sector of the real estate development industry, in order to maximize the economic benefits of such specialization. The In-kind contribution to the Company is an action in the interest of the Company and will contribute to: significantly increasing the Company's pool of investment lands without requiring the Company's financial resources, improving the Company's competitive position, developing its workforce and know-how, optimizing costs of the Company's current business operations.

The deprivation of the Company's existing shareholders' full pre-emptive rights to the C1, C2, C3, C4, C5 shares and offering them against payment of the proposed issue price is in the Company's interest and is not contrary to the interests of the Company's shareholders. Offering the shares by way of a private placement and covering them with the In-kind contribution will enable the Company to expand its business geographically and contribute to positive economic effects, among which are: (i) a significant increase in the pool of investment lands at the Company's disposal, without involving financial resources at the same time; (ii) a significant strengthening of the Company's asset position and, consequently, its investment potential; (iii) an improvement in the Company's competitive position through an increase in the scale of the Company's operations, its geographic diversification, and an upgrade in the Company's financial condition and investment potential; (iv) developing its human potential and exchanging know-how; (v) an optimization of fixed costs of operations due to the emergence of economies of scale. At the same time, under current market realities, the acquisition of a package of properties with a comparable commercial value to the In-kind contribution (taking into account the attractiveness of locations, parameters of possible investment developments, the profit potential) in exchange for a cash equivalent would be extremely difficult, due to the great rarity of comparable offers in the market for the sale of such a large package of properties and the significant involvement of financial resources that would have to be spent to acquire such properties. Moreover, the acquisition of an analogous real estate package would be a long-term and complicated process and would have to be done in batches.

The transaction was completed on market terms, taking into account the interests of the Company and its minority shareholders. In order to determine the issue price for the issue of the C1, C2, C3, C4, C5-series shares, on the same terms and by the same auditor, i.e. Grant Thornton Frackowiak Prosta spółka akcyjna, valuations of the Company and the In-kind Contribution were prepared as at 31 March 2023 . The Company's valuation showed the issue price of one C1, C2, C3, C4, C5-series share at the level of PLN 36.34 (in words: thirty-six and 34/100), which is significantly higher than the current stock exchange price of the Company's shares (i.e. PLN 27.60 as of 31 July 2023). The issue price of the shares exceeds the current market value of the Company's shares. For this reason, the issue of the shares at the price proposed above serves both the interests of the Company and the interests of minority shareholders. The Company obtains significant value assets without the need to obtain financing and make expenditures from the Company's assets. Minority shareholders, however, have the opportunity to purchase the shares on the Stock Exchange at a price lower than the proposed issue price of the new C1, C2, C3, C4, C5-series shares.

Pledges on shares

Pledge title	Company as to which interests and shares are pledged	Pledge value	
		[mln PLN]	[mln EUR]
Loan granted security for a subsidiary Projekt Echo 130 Sp. z o.o. by PKO Bank Polski S.A.	Projekt Echo - 130 Sp. z o.o.		67
Loan granted security for a subsidiary Projekt Echo 130 Sp. z o.o. by PKO Bank Polski S.A.	Projekt Echo - 130 Sp. z o.o.	20	
Loan granted security for a subsidiary Face2Face - Stranraer Sp. z o.o. S.K.A. by Bank Pekao S.A.	Stranraer Sp. z o.o.	36	
Loan granted security for a subsidiary Face2Face - Stranraer Sp. z o.o. S.K.A. by Bank Pekao S.A.	Stranraer Sp. z o.o.	130	
Loan granted security for a subsidiary Face2Face - Stranraer Sp. z o.o. S.K.A. by Bank Pekao S.A.	Face2Face - Stranraer Sp. z o.o. S.K.A.	36	
Loan granted security for a subsidiary Face2Face - Stranraer Sp. z o.o. S.K.A. by Bank Pekao S.A.	Face2Face - Stranraer Sp. z o.o. S.K.A.	130	
Loan granted security for a subsidiary Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A. by Bank Pekao S.A.	Cornwall Investments Sp. z o.o.		82
Loan granted security for a subsidiary Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A. by Bank Pekao S.A.	Cornwall Investments Sp. z o.o.		82
Loan granted security for a subsidiary Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A. by Bank Pekao S.A.	Cornwall Investments Sp. z o.o.	11	
Loan granted security for a subsidiary Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A. by Bank Pekao S.A.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.		82
Loan granted security for a subsidiary Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A. by Bank Pekao S.A.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.		82
Loan granted security for a subsidiary Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A. by Bank Pekao S.A.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.	11	
Loan granted security for a subsidiary Echo Arena Sp. z o.o. by Bank Pekao S.A.	Echo Arena Sp. z o.o.		98
Loan granted security for a subsidiary Echo Arena Sp. z o.o. by Bank Pekao S.A.	Echo Arena Sp. z o.o.	133	
Loan granted security for a subsidiary Rosehill Investments Sp. z o.o. by CBRE Loan Services	Rosehill Investments Sp. z o.o.		16
Loan granted security for a subsidiary Rosehill Investments Sp. z o.o. by CBRE Loan Services	Rosehill Investments Sp. z o.o.		99
Loan granted security for a subsidiary R4R Sp. z o.o. by EBRD	R4R Poland Sp. z o.o.		119

Collateral for the loan granted to the subsidiary Galeria Libero - Projekt Echo 120 Sp. z o. o. Sp.K. by Santander Bank Polska S.A. and Beethoven Project - Projekt Echo - 122 Sp. z o. o. Sp.K. by PKO Bank Polski S.A. on the shares have expired and have no impact on the statement of financial position and profit and loss account of the Company.

NOTE 3D

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2023

No.	Company name and legal form	Registered office	Business activity	Value of shares/interests according to the purchase price	Revaluation adjustments — opening balance	Revaluation adjustments -movement	Revaluation adjustments — closing balance	Carrying value of interests/shares	% Share capital held	Share in total number of votes at the general meeting	Another basis for control
SHARES / INTERESTS IN SUBSIDIARIES											
1	Echo - Aurus Sp. z o.o.	Kielce	lease and property management	199 023	-		-	199 023	99,99%	99,99%	None
2	Princess Investment Sp. z o.o.	Kielce	execution of construction projects related to buildings	5 063	(5 063)		(5 063)	-	99,99%	99,99%	None
3	PPR - Grupa Echo Sp. z o.o. S.K.A.	Kielce	lease and property management	160	(160)		(160)	-	99,95%	99,95%	None
4	Echo - SPV 7 Sp. z o.o.	Kielce	lease and property management	189 018	-		-	189 018	100,00%	100,00%	None
5	Grupa Echo Sp. z o.o.	Kielce	business and management consultancy activities	1 702	(52)	(1 650)	(1 702)	-	100,00%	100,00%	None
6	Echo Investment ACC - Grupa Echo Sp. z o.o. Sp.k.	Kielce	accounting and bookkeeping activities	51	-		-	51	99,00%	99,00%	None
7	Malta Office Park - Grupa Echo Sp. z o.o. S.K.A.	Kielce	lease and property management	2 469	(2 396)	(65)	(2 461)	8	99,95%	99,95%	None
8	Echo - Arena Sp. z o.o.	Kielce	execution of construction projects related to buildings	1 008	(1 008)		(1 008)	-	99,95%	99,95%	None
9	Projekt Saska Sp. z o.o.	Kielce	real estate brokerage	20 419	(20 419)		(20 419)	-	95,00%	95,00%	None
10	Echo - Advisory Services Sp. z o.o.	Kielce	lease and property management	100	(100)		(100)	-	99,00%	99,00%	None
11	Galaxy - Grupa Echo Sp. z o.o. S.K.A.	Kielce	lease and property management	8 611	(8 611)		(8 611)	-	99,95%	99,95%	None
12	Galeria Tarnów - Grupa Echo Sp. z o.o. S.K.A.	Kielce	lease and property management	576	(117)	(37)	(154)	422	99,95%	99,95%	None
13	Duże Naramowice - Projekt Echo - 111 Sp. z o.o. S.K.A.	Kielce	lease and property management	130 909	-		-	130 909	100,00%	100,00%	None
14	Avatar - Grupa Echo Sp. z o.o. S.K.A.	Kielce	business and management consultancy activities	17 665				17 665	99,95%	99,95%	None

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2023

No.	Company name and legal form	Registered office	Business activity	Value of shares/interests according to the purchase price	Revaluation adjustments — opening balance	Revaluation adjustments — movement	Revaluation adjustments — closing balance	Carrying value of interests/shares	% Share capital held	Share in total number of votes at the general meeting	Another basis for control
15	Projekt Naramowice - Grupa Echo Sp. z o.o. S.K.A.	Kielce	execution of construction projects related to buildings	63 753	-		-	63 753	100,00%	100,00%	None
16	Metropolis - Grupa Echo 121 Sp. z o.o. S.K.A.	Kielce	lease and property management	18 156	(2 621)		(2 621)	15 535	100,00%	100,00%	None
17	Echo Investment Projekt Management SRL	Brasov	property management	4 129	(4 129)		(4 129)	-	100,00%	100,00%	None
18	Projekt Echo - 99 Sp. z o.o.	Kielce	buying and selling of property on own account	97	(97)		(97)	-	99,80%	99,80%	None
19	Taśmowa - Projekt Echo - 116 Sp. z o.o. S.K.A.	Kielce	lease and property management	11	(11)		(11)	-	100,00%	100,00%	None
20	Projekt Echo - 108 Sp. z o.o.	Kielce	lease and property management	125	(65)	(60)	(125)	-	100,00%	100,00%	None
21	Echo - Property Poznan 1 Sp. z o.o.	Kielce	business and management consultancy activities	2 947	(197)	(2 488)	(2 685)	262	99,00%	99,00%	None
22	Projekt 16 - Grupa Echo Sp. z o.o S.K.A.	Kielce	real estate brokerage	50	(50)		(50)	-	100,00%	100,00%	None
23	Projekt 17 - Grupa Echo Sp. z o.o S.K.A.	Kielce	real estate brokerage	46 050	-		-	46 050	100,00%	100,00%	None
24	Cinema Asset Manager - Grupa Echo Sp. z o.o S.K.A.	Kielce	real estate brokerage	50	(30)		(30)	20	100,00%	100,00%	None
25	Face2Face - Stranraer Sp. z o.o S.K.A.	Kielce	real estate brokerage	50 050	-		-	50 050	100,00%	100,00%	None
26	Midpoint 71-Cornwall Investments Sp. z o.o S.K.A.	Kielce	real estate brokerage	49 050	-		-	49 050	100,00%	100,00%	None
27	Projekt Echo - 111 Sp. z o.o.	Kielce	lease and property management	1 100	(100)		(100)	1 000	99,95%	99,95%	None
28	Projekt Echo - 115 Sp. z o.o.	Kielce	lease and property management	1 406	(1 406)		(1 406)	-	99,83%	99,83%	None
29	Projekt Echo - 116 Sp. z o.o.	Kielce	lease and property management	461	(31)	(430)	(461)	-	99,83%	99,83%	None
30	Projekt Echo - 120 Sp. z o.o.	Kielce	lease and property management	424	(424)		(424)	-	100,00%	100,00%	None

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2023

No.	Company name and legal form	Registered office	Business activity	Value of shares/interests according to the purchase price	Revaluation adjustments — opening balance	Revaluation adjustments — movement	Revaluation adjustments — closing balance	Carrying value of interests/shares	% Share capital held	Share in total number of votes at the general meeting	Another basis for control
31	Projekt Echo - 121 Sp. z o.o.	Kielce	lease and property management	151	(131)	(21)	(152)	(1)	100,00%	100,00%	None
32	Projekt Echo - 122 Sp. z o.o.	Kielce	lease and property management	779	(779)		(779)	-	100,00%	100,00%	None
33	Projekt Echo - 123 Sp. z o.o.	Kielce	lease and property management	5				5	99,83%	99,83%	None
34	Projekt Echo - 130 Sp. z o.o.	Kielce	lease and property management	41	(31)		(31)	10	100,00%	100,00%	None
35	Projekt Echo - 135 Sp. z o.o.	Kielce	lease and property management	151	(31)	(120)	(151)	-	100,00%	100,00%	None
36	Villea investments Sp. z o.o.	Warszawa	lease and property management	5				5	100,00%	100,00%	None
37	Selmer Investments Sp. z o.o.	Warszawa	business and management consultancy activities	162	(141)	(21)	(162)	-	100,00%	100,00%	None
38	Selmer Investments Sp.k.	Warszawa	business and management consultancy activities	15	(15)		(15)	-	100,00%	100,00%	None
39	Cornwall Investments Sp. z o.o.	Warszawa	business and management consultancy activities	12	(12)		(12)	-	100,00%	100,00%	None
40	Fianar Investments Sp. z o.o.	Warszawa	business and management consultancy activities	6	(6)		(6)	-	100,00%	100,00%	None
41	City Space - GP Sp. z o.o.	Warszawa	lease and property management	137	(137)		(137)	-	100,00%	100,00%	None
42	City Space - Management Sp. z o.o.	Warszawa	business and management consultancy activities	20 087	(937)	(19 150)	(20 087)	-	100,00%	100,00%	None
43	Pudsey Sp. z o.o.	Warszawa	business and management consultancy activities	82				82	100,00%	100,00%	None
44	Seaford Sp. z o.o.	Warszawa	business and management consultancy activities	155	(5)	(150)	(155)	-	100,00%	100,00%	None

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2023

No.	Company name and legal form	Registered office	Business activity	Value of shares/interests according to the purchase price	Revaluation adjustments — opening balance	Revaluation adjustments — movement	Revaluation adjustments — closing balance	Carrying value of interests/shares	% Share capital held	Share in total number of votes at the general meeting	Another basis for control
45	Elektrownia RE Sp. z o.o.	Kielce	buying and selling of property on own account	36 286				36 286	100,00%	100,00%	None
46	Projekt 139 Grupa Echo Sp. z o.o Sp.k.	Kielce	lease and property management	5				5	99,90%	99,99%	None
47	Projekt 140 Grupa Echo Sp. z o.o Sp.k.	Kielce	lease and property management	15 006				15 006	99,99%	99,99%	None
48	GRO Nieruchomości Sp. z o.o.	Kraków	lease and property management	10				10	100,00%	100,00%	None
49	Swanage Sp. z o.o.	Warszawa	lease and property management	10	(10)		(10)	-	100,00%	100,00%	None
50	Stranraer Sp. z o.o.	Warszawa	lease and property management	10	(10)		(10)	-	100,00%	100,00%	None
51	Dagnall Sp. z o.o.	Warszawa	lease and property management	10	(10)		(10)	-	100,00%	100,00%	None
52	Strood Sp. z o.o.	Warszawa	lease and property management	27 125				27 125	100,00%	100,00%	None
53	RPGZ Sp. z o.o.	Kraków	execution of construction projects related to buildings	21				21	100,00%	100,00%	None
54	Projekt Beethovena - Projekt Echo - 122 Sp. z o.o S.K.A.	Kielce	lease and property management	3 430	-		-	3 430	99,95%	99,95%	None
55	Symetris - PE - 131 Sp.k.	Warszawa	lease and property management	6	(6)		(6)	-	99,99%	99,99%	None
56	Projekt Echo - 140 Sp. z o.o.	Kielce	buying and selling of property on own account	6	(6)		(6)	-	100,00%	100,00%	None
57	Projekt Echo - 141 Sp. z o.o.	Kielce	buying and selling of property on own account	96	(6)	(90)	(96)	-	100,00%	100,00%	None
58	Projekt Echo - 142 Sp. z o.o.	Kielce	buying and selling of property on own account	96	(57)		(57)	39	100,00%	100,00%	None
59	Projekt Echo - 143 Sp. z o.o.	Kielce	buying and selling of property on own account	96	(6)		(6)	90	100,00%	100,00%	None

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2023

No.	Company name and legal form	Registered office	Business activity	Value of shares/interests according to the purchase price	Revaluation adjustments — opening balance	Revaluation adjustments — movement	Revaluation adjustments — closing balance	Carrying value of interests/shares	% Share capital held	Share in total number of votes at the general meeting	Another basis for control
60	Projekt Echo - 144 Sp. z o.o.	Kielce	buying and selling of property on own account	156	(58)	(26)	(84)	72	100,00%	100,00%	None
61	Projekt Echo - 145 Sp. z o.o.	Kielce	buying and selling of property on own account	106	(57)	(26)	(83)	23	100,00%	100,00%	None
62	DKR Echo Investment Sp. z o.o.	Kielce	activities of central companies and holding companies, excluding financial holding companies	432 954				432 954	100,00%	100,00%	None
63	PHS - Grupa Echo Sp. z o.o. Sp.k.	Warszawa	execution of construction projects related to buildings	4 004	(561)	(248)	(809)	3 195	99,99%	99,99%	None
64	Archicom S.A.	Wrocław	activities of central companies and holding companies, excluding financial holding companies	271 209				271 209	39,02%	35,28%	None
				1 627 063	(50 099)	(24 582)	(74 681)	1 552 382			
Shares / interests in jointly controlled entities											
1	Rosehill Investments Sp. z o.o.	Warszawa	lease and property management	282 571	(17 217)		(17 217)	265 354	30,00%	30,00%	None
2	Projekt Echo - 138 Sp. z o.o.	Warszawa	lease and property management	2				2	30,00%	30,00%	None
3	R4R Poland Sp. z o.o.	Warszawa	lease and property management	36 090				36 090	30,00%	30,00%	None
				318 663	(17 217)	-	(17 217)	301 446			
Shares / interests in subsidiaries in total				1 945 726	(67 316)	(24 582)	(91 898)	1 853 828			

In the table, the Company has presented a revaluation write-down of the Company's interests and shares in subsidiaries, jointly controlled companies and associated entities made during the financial year.

In the event of no write-down, in the Company's opinion, there were no indications at the balance sheet date that adjustments to the write-downs were required.

The change in the value of the revaluation adjustments to the interests was recognised in the result for the cur-

rent and comparative period iwithin the item revaluation of investments in financial income/expenses.

The expenses included the amount of the impairment loss amounted to PLN 24 582 thous. as at 31 December 2023 (PLN 829 thous. as at 31 December 2022).

The Company has control over the listed subsidiaries through direct equity participation or through interests /

shares held by other subsidiaries of the Company, with the exception of Rosehill Investments Sp. z o.o., Projekt Echo 138 Sp. z o.o. and R4R Poland Sp. z o.o.

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2022

No.	Company name and legal form	Registered office	Business activity	Value of shares/interests according to the purchase price	Revaluation adjustments — opening balance	Revaluation adjustments — movement	Revaluation adjustments — closing balance	Carrying value of interests/shares	% Share capital held	Share in total number of votes at the general meeting	Another basis for control
SHARES / INTERESTS IN SUBSIDIARIES											
1	Echo - Aurus Sp. z o.o.	Kielce	lease and property management	199 022	-		-	199 022	99,99%	99,99%	None
2	Princess Investment Sp. z o.o.	Kielce	execution of construction projects related to buildings	5 063	(5 063)		(5 063)	-	99,99%	99,99%	None
3	PPR - Grupa Echo Sp. z o. o. S.K.A.	Kielce	lease and property management	160	(134)	(26)	(160)	-	99,95%	99,95%	None
4	Echo - SPV 7 Sp. z o. o.	Kielce	lease and property management	189 018	-		-	189 018	100,00%	100,00%	None
5	Grupa Echo Sp. z o.o.	Kielce	business and management consultancy activities	52	(52)		(52)	-	100,00%	100,00%	None
6	Kielce - Grupa Echo Sp. z o.o. S.K.A. w likwidacji	Kielce	lease and property management	153	(11)		(11)	142	99,95%	99,95%	None
7	Echo Investment ACC - Grupa Echo Sp. z o.o. Sp.k.	Kielce	accounting and bookkeeping activities	51	-		-	51	99,00%	99,00%	None
8	Malta Office Park - Grupa Echo Sp. z o.o. S.K.A.	Kielce	lease and property management	2 469	(2 367)	(29)	(2 396)	73	99,95%	99,95%	None
9	Echo - Arena Sp. z o.o.	Kielce	execution of construction projects related to buildings	1 008	(1 008)		(1 008)	-	99,95%	99,95%	None
10	Echo - Opolska Biznes Park Sp. z o.o.	Kielce	lease and property management	285	(285)		(285)	-	100,00%	100,00%	None
11	Projekt Saska Sp. z o.o.	Kielce	real estate brokerage	20 419	(20 419)		(20 419)	-	95,00%	95,00%	None
12	Echo - Advisory Services Sp. z o.o.	Kielce	lease and property management	100	(100)		(100)	-	99,00%	99,00%	None
13	Echo - Browary Warszawskie Sp. z o.o.	Kielce	lease and property management	100	(100)		(100)	-	99,00%	99,00%	None
14	Echo - Browary Warszawskie Sp. z o.o. Sp.k.	Kielce	lease and property management	51	-		-	51	100,00%	100,00%	None
15	Galaxy - Grupa Echo Sp. z o.o. S.K.A.	Kielce	lease and property management	8 611	(8 611)		(8 611)	-	99,95%	99,95%	None

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2022

No.	Company name and legal form	Registered office	Business activity	Value of shares/interests according to the purchase price	Revaluation adjustments — opening balance	Revaluation adjustments — movement	Revaluation adjustments — closing balance	Carrying value of interests/shares	% Share capital held	Share in total number of votes at the general meeting	Another basis for control
16	Galeria Tarnów - Grupa Echo Sp. z o.o. S.K.A.	Kielce	lease and property management	576	(86)	(31)	(117)	459	99,95%	99,95%	None
17	Duże Naramowice - Projekt Echo 111 Sp. z o.o. S.K.A.	Kielce	lease and property management	130 909	-	-	-	130 909	100,00%	100,00%	None
18	Avatar - Grupa Echo Sp. z o.o. S.K.A.	Kielce	business and management consultancy activities	17 665	-	-	-	17 665	99,95%	99,95%	None
19	Projekt Naramowice - Grupa Echo Sp. z o.o. S.K.A.	Kielce	execution of construction projects related to buildings	63 753	-	-	-	63 753	100,00%	100,00%	None
20	Echo - Nowy Mokotów Sp. z o.o.	Kielce	lease and property management	94	(76)	-	(76)	18	99,90%	99,90%	None
21	Metropolis - Grupa Echo 121 Sp. z o.o. S.K.A.	Kielce	lease and property management	18 156	(2 621)	-	(2 621)	15 535	100,00%	100,00%	None
22	Galeria Nova - Grupa Echo Sp. z o.o. S.K.A.	Kielce	execution of construction projects related to buildings	16	-	-	-	16	100,00%	100,00%	None
23	Echo Investment Projekt Management SRL	Brasov	property management	4 129	(4 129)	-	(4 129)	-	100,00%	100,00%	None
24	Projekt Echo 99 Sp. z o.o.	Kielce	buying and selling of property on own account	97	(97)	-	(97)	-	99,80%	99,80%	None
25	Projekt 1 - Grupa Echo Sp. z o.o. S.K.A. w likwidacji	Kielce	lease and property management	4 007	(78)	-	(78)	3 929	99,95%	99,95%	None
26	Taśmowa - Projekt Echo 116 Sp. z o.o. S.K.A.	Kielce	lease and property management	11	(11)	-	(11)	-	100,00%	100,00%	None
27	Projekt Echo 108 Sp. z o.o.	Kielce	lease and property management	125	(65)	-	(65)	60	100,00%	100,00%	None
28	Echo - Property Poznan 1 Sp. z o.o.	Kielce	business and management consultancy activities	197	(197)	-	(197)	-	99,00%	99,00%	None
29	Projekt 12 - Grupa Echo Sp. z o.o. S.K.A.	Kielce	lease and property management	25	-	-	-	25	100,00%	100,00%	None
30	Projekt 16 - Grupa Echo Sp. z o.o. S.K.A.	Kielce	real estate brokerage	50	(50)	-	(50)	-	100,00%	100,00%	None

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2022

No.	Company name and legal form	Registered office	Business activity	Value of shares/interests according to the purchase price	Revaluation adjustments — opening balance	Revaluation adjustments — movement	Revaluation adjustments — closing balance	Carrying value of interests/shares	% Share capital held	Share in total number of votes at the general meeting	Another basis for control
31	Projekt 17 - Grupa Echo Sp. z o.o. S.K.A.	Kielce	real estate brokerage	46 050	-		-	46 050	100,00%	100,00%	None
32	Cinema Asset Manager - Grupa Echo Sp. z o.o. S.K.A.	Kielce	real estate brokerage	50	(30)		(30)	20	100,00%	100,00%	None
33	Face2Face - Stranraer Sp. z o.o - S.K.A.	Kielce	real estate brokerage	50 050	-		-	50 050	100,00%	100,00%	None
34	Midpoint 71-Cornwall Investments Sp. z o.o. S.K.A. w likwidacji	Kielce	real estate brokerage	49 050	-		-	49 050	100,00%	100,00%	None
35	Pure Systems Sp. z o.o. w likwidacji	Kraków	other financial service activities, except insurance and pension funding	1				1	99,90%	99,90%	None
36	Projekt Echo 111 Sp. z o. o.	Kielce	lease and property management	1 100	(100)		(100)	1 000	99,95%	99,95%	None
37	Projekt Echo 112 Sp. z o. o. w likwidacji	Kielce	lease and property management	31	(31)		(31)	-	100,00%	100,00%	None
38	Projekt Echo 113 Sp. z o. o. w likwidacji	Kielce	lease and property management	279	(279)		(279)	-	100,00%	100,00%	None
39	Projekt Echo 115 Sp. z o. o.	Kielce	lease and property management	1 406	(1 406)		(1 406)	-	99,83%	99,83%	None
40	Projekt Echo 116 Sp. z o. o.	Kielce	lease and property management	31	(31)		(31)	-	99,83%	99,83%	None
41	Projekt Echo 120 Sp. z o. o.	Kielce	lease and property management	424	(424)		(424)	-	100,00%	100,00%	None
42	Projekt Echo 121 Sp. z o. o.	Kielce	lease and property management	151	(31)	(100)	(131)	20	100,00%	100,00%	None
43	Projekt Echo 122 Sp. z o. o.	Kielce	lease and property management	779	(779)		(779)	-	100,00%	100,00%	None
44	Projekt Echo 123 Sp. z o. o.	Kielce	lease and property management	5				5	99,83%	99,83%	None
45	Projekt Echo 127 Sp. z o. o.	Kielce	lease and property management	31	(31)		(31)	-	100,00%	100,00%	None
46	Projekt Echo 128 Sp. z o. o. w likwidacji	Kielce	lease and property management	31	(31)		(31)	-	100,00%	100,00%	None

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2022

No.	Company name and legal form	Registered office	Business activity	Value of shares/interests according to the purchase price	Revaluation adjustments — opening balance	Revaluation adjustments — movement	Revaluation adjustments — closing balance	Carrying value of interests/shares	% Share capital held	Share in total number of votes at the general meeting	Another basis for control
47	Projekt Echo 130 Sp. z o. o.	Kielce	lease and property management	41	(31)		(31)	10	100,00%	100,00%	None
48	Projekt Echo 131 Sp. z o. o. w likwidacji	Kielce	lease and property management	307	(307)		(307)	-	100,00%	100,00%	None
49	Projekt Echo 135 Sp. z o. o.	Kielce	lease and property management	31	(31)		(31)	-	100,00%	100,00%	None
50	Projekt Echo 136 Sp. z o. o.	Kielce	lease and property management	31	(31)		(31)	-	100,00%	100,00%	None
51	Projekt Echo 137 Sp. z o. o.	Kielce	lease and property management	31	-		-	31	100,00%	100,00%	None
52	Projekt Echo 136 Sp. z o. o Sp.k.	Kielce	lease and property management	37 006	-		-	37 006	99,00%	99,00%	None
53	Villea investments Sp. z o. o.	Warszawa	lease and property management	5				5	100,00%	100,00%	None
54	Selmer Investments Sp. z o. o.	Warszawa	business and management consultancy activities	162	(12)	(129)	(141)	21	100,00%	100,00%	None
55	Selmer Investments Sp.k.	Warszawa	business and management consultancy activities	15	(15)		(15)	-	100,00%	100,00%	None
56	Cornwall Investments Sp. z o. o.	Warszawa	business and management consultancy activities	12	(12)		(12)	-	100,00%	100,00%	None
57	Gosford Investments Sp.z o.o	Warszawa	lease and property management	5				5	100,00%	100,00%	None
58	Fianar Investments Sp. z o. o.	Warszawa	business and management consultancy activities	6	(6)		(6)	-	100,00%	100,00%	None
59	Doxent Investments Sp.z o.o.	Warszawa	lease and property management	5				5	100,00%	100,00%	None
60	City Space - GP Sp. z o. o.	Warszawa	lease and property management	137	(137)		(137)	-	100,00%	100,00%	None

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2022

No.	Company name and legal form	Registered office	Business activity	Value of shares/interests according to the purchase price	Revaluation adjustments — opening balance	Revaluation adjustments — movement	Revaluation adjustments — closing balance	Carrying value of interests/shares	% Share capital held	Share in total number of votes at the general meeting	Another basis for control
61	City Space - Management Sp. z o.o.	Warszawa	business and management consultancy activities	937	(937)		(937)	-	100,00%	100,00%	None
62	Perth Sp. z o.o.	Warszawa	lease and property management	5				5	100,00%	100,00%	None
63	Potton Sp. z o.o.	Warszawa	lease and property management	5				5	100,00%	100,00%	None
64	Pudsey Sp. z o.o.	Warszawa	business and management consultancy activities	82				82	100,00%	100,00%	None
65	Seaford Sp. z o.o.	Warszawa	business and management consultancy activities	5	(5)		(5)	-	100,00%	100,00%	None
66	Elektrownia RE Sp.z o.o.	Kielce	buying and selling of property on own account	36 286				36 286	100,00%	100,00%	None
66	Projekt 139 Grupa Echo Sp. z o.o. Sp.k.	Kielce	lease and property management	5				5	99,90%	99,99%	None
67	Projekt 140 Grupa Echo Sp. z o.o. Sp.k.	Kielce	lease and property management	15 006				15 006	99,99%	99,99%	None
68	GRO Nieruchomości Sp. z o.o.	Kraków	lease and property management	10				10	100,00%	100,00%	None
68	Swanage Sp. z o.o.	Warszawa	lease and property management	10	(10)		(10)	-	100,00%	100,00%	None
69	Stranraer Sp. z o.o.	Warszawa	lease and property management	10	(10)		(10)	-	100,00%	100,00%	None
70	Dagnall Sp. z o.o.	Warszawa	lease and property management	10	(10)		(10)	-	100,00%	100,00%	None
70	Strood Sp. z o.o.	Warszawa	lease and property management	27 125				27 125	100,00%	100,00%	None
71	RPGZ Sp. z o.o.*	Kraków	execution of construction projects related to buildings	21				21	100,00%	100,00%	None

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2022

No.	Company name and legal form	Registered office	Business activity	Value of shares/interests according to the purchase price	Revaluation adjustments — opening balance	Revaluation adjustments — movement	Revaluation adjustments — closing balance	Carrying value of interests/shares	% Share capital held	Share in total number of votes at the general meeting	Another basis for control
72	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Kielce	lease and property management	3 430			-	3 430	99,95%	99,95%	None
73	SYMETRIS - PE-131 Sp.k.	Warszawa	lease and property management	6		(6)	(6)	-	99,99%	99,99%	None
74	Projekt Echo 139 Sp. z o.o.	Kielce	buying and selling of property on own account	6				6	99,99%	99,99%	None
75	Projekt Echo 140 Sp. z o.o.	Kielce	buying and selling of property on own account	6	(6)		(6)	-	100,00%	100,00%	None
76	Projekt Echo 141 Sp. z o.o.	Kielce	buying and selling of property on own account	6	(6)		(6)	-	100,00%	100,00%	None
77	Projekt Echo 142 Sp. z o.o.	Kielce	buying and selling of property on own account	96	(6)	(51)	(57)	39	100,00%	100,00%	None
78	Projekt Echo 143 Sp. z o.o.	Kielce	buying and selling of property on own account	96	(6)		(6)	90	100,00%	100,00%	None
79	Projekt Echo 144 Sp. z o.o.	Kielce	buying and selling of property on own account	156	(6)	(52)	(58)	98	100,00%	100,00%	None
80	Projekt Echo 145 Sp. z o.o.	Kielce	buying and selling of property on own account	106	(6)	(51)	(57)	49	100,00%	100,00%	None
81	DKR Echo Invest S.A.	Kielce	activities of central companies and holding companies, excluding financial holding companies	76 926				76 926	100,00%	100,00%	None
82	DKR Echo Investment Sp. z o.o.	Kielce	activities of central companies and holding companies, excluding financial holding companies	355 971				355 971	100,00%	100,00%	None
83	PHS - Grupa Echo Sp. z o.o. Sp.k.	Warszawa	execution of construction projects related to buildings	4 004	(207)	(354)	(561)	3 443	99,99%	99,99%	None
				1 373 961	(50 530)	(829)	(51 359)	1 322 602			

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2022

No.	Company name and legal form	Registered office	Business activity	Value of shares/interests according to the purchase price	Revaluation adjustments — opening balance	Revaluation adjustments — movement	Revaluation adjustments — closing balance	Carrying value of interests/shares	% Share capital held	Share in total number of votes at the general meeting	Another basis for control
Shares / interests in jointly controlled entities											
1	Rosehill Investments Sp. z o.o.	Warszawa	lease and property management	212 063	(17 217)		(17 217)	194 846	30,00%	30,00%	None
2	Projekt Echo 138 Sp. z o.o.	Warszawa	lease and property management	2				2	30,00%	30,00%	None
3	R4R Poland Sp. z o.o.	Warszawa	lease and property management	33 615				33 615	30,00%	30,00%	None
				245 680	(17 217)	-	(17 217)	228 463			
Shares / interests in subsidiaries - total				1 619 641	(67 747)	(829)	(68 576)	1 551 065			

NOTE 4

Long-term and short-term financial assets [PLN '000]

	31.12.2023	31.12.2022
In other entities	7 965	1 549
RMK - insurance	1 655	1 549
motivational program	6 310	-
In subsidiaries	3 150	75 017
bonds	-	64 157
- short-term	-	64 157
receivables for the sale of shares and advance payments for capital increases	3 150	10 860
Total long and short-term financial assets	11 115	76 566
- long-term	11 115	12 409
- short-term	-	64 157

On 29 June 2023 Projekt Beethovena - Projekt Echo - 122 Sp. z o. o. S.K.A. repaid the bond liability to Echo Investment S.A.

NOTE 5

Loans granted [PLN '000]

	31.12.2023	31.12.2022
Long-term loans granted		
in subsidiaries	379 923	198 099
in joint-ventures	263 500	303 985
in other entities	-	588
Total long-term loans granted	643 423	502 672
Short-term loans granted		
in subsidiaries	104 741	567 908
Total short-term loans granted	104 741	567 908
Total loans granted	748 164	1 070 580

The loans meet the SPPI test and are held in accordance with the business model, the purpose of which is to hold financial assets to obtain contractual cash flows in accordance with IFRS 9 and therefore they are not measured at fair value but using the amortized cost method. The valuation does not differ significantly from the fair value measurement.

The maximum value of credit risk associated with loans is equal to their carrying value. The loans granted are not secured, are not past due, and there has been no significant loss of value. The loan was granted to related entities with good financial condition. In relation to related entities, in the opinion of the Management Board, credit risk is minimized by ongoing control of the operating activities and assessment of investment projects of these companies.

In the opinion of the Management Board, by being able to monitor the activities of subsidiaries and periodically confirm the profitability of their projects, the Company is able to assess and identify loans for which the credit risk has increased significantly. The Company's Management Board did not identify any such loans. The Management Board assessed the loans in terms of creating an allowance for expected credit losses based on the assessment of the credibility of the Echo Investment Capital Group.

In accordance with the requirements of IFRS 9, an allowance for expected credit losses was created; as at December 31, 2023 in the amount of PLN 2,097 thousand, and as at December 31, 2022 in the amount of PLN 2,943 thousand.

NOTE 5A

Loans granted - currency structure [PLN '000]

	31.12.2023	31.12.2022
Long-term loans granted		
In Polish currency (PLN)	643 423	453 120
In other currencies (recalculated into PLN)	-	49 552
Total long-term loans granted	643 423	502 672
Short-term loans granted		
In the Polish currency (PLN)	104 741	425 826
In foreign currencies (after translation into PLN)	-	142 082
Total short-term loans granted	104 741	567 908
Total loans granted	748 164	1 070 580

Key figures on long-term borrowings without interest as at 31 December 2023 [PLN '000]

Contractor's name	Amount	Interest	Repayment date
Galeria Libero Sp. z o.o. Sp.k.	97 507	Wibor 3M + margin	10.10.2026
R4R Poland Sp. z o.o.	61 518	fixed interest	31.03.2029
R4R Poland Sp. z o.o.	49 584	fixed interest	31.03.2030
R4R Poland Sp. z o.o.	80 580	fixed interest	31.03.2031
R4R Poland Sp. z o.o.	35 151	fixed interest	30.09.2026
DKRA Sp. z o.o.	535	Wibor 3M + margin	22.04.2026
Strood Sp. z o.o.*	58 978	Wibor 3M + margin	31.12.2025
Fianar Investments Sp. z o.o.*	6 925	Wibor 3M + margin	30.09.2025
DKRA Echo Sp. z o.o.*	53 450	Wibor 3M + margin	13.04.2026
GRO Nieruchomości Sp. z o.o.	25 390	Wibor 3M + margin	31.12.2025
Villea Investments Sp. z o.o.	74 425	Wibor 3M + margin	31.12.2025
Galaxy - Grupa Echo Sp. z o.o. S.K.A.	8 366	Wibor 3M + margin	31.12.2025
Loans without interest and write-offs	552 409		
interest	100 925		
write-offs	(9 911)		
Total loans with interest and write-offs	643 423		

* Loans granted in 2023

Basic data on major short-term borrowings, without interest, as at 31 December 2023 [PLN '000]

Contractor's name	Amount	Interest	Repayment date
City Space Management Sp. z o.o. *	500	Wibor 3M + margin	30.06.2024
Projekt Echo - 143 Sp. z o.o.*	93 461	Wibor 3M + margin	31.12.2024
Elektrownia Sp. z o.o.*	1 619	Wibor 3M + margin	30.06.2024
Rondo 1 City Space - GP Sp. z o.o. Sp.k.	4 050	Wibor 3M + margin	31.12.2024
Projekt 5 - Grupa Echo Sp. z o.o. S.K.A.	687	Wibor 3M + margin	31.12.2023
Borrowings without interests and write-offs	100 317		
interests	10 598		
write-offs	(6 174)		
Total borrowings with interest and write-offs	104 741		

* Loans granted in 2023

The maximum value of credit risk associated with loans is equal to their carrying value.

The loans granted are not secured.

The loans granted are not overdue and there has been no impairment of the loans granted.

Loans granted are presented according to the actual repayment date.

Key figures on long-term borrowings without interest as at 31 December 2022 [PLN '000]

Contractor's name	Amount	Interest	Repayment date
Galeria Libero Sp. z o.o. Sp.k.	97 507	Wibor 3M + margin	10.10.2026
R4R Poland Sp. z o.o.	61 518	fixed interest	31.03.2029
Echo - Arena Sp. z o.o.	24 091	Wibor 3M + margin	7.01.2026
R4R Poland Sp. z o.o.	49 584	fixed interest	31.03.2030
R4R Poland Sp. z o.o.	48 705	fixed interest	31.03.2031
Berea Sp. z o.o.	36 760	fixed interest	31.12.2025
R4R Poland Sp. z o.o.	35 151	fixed interest	30.09.2026
Rosehill Investments Sp. z o.o.	25 703	Euribor 3M + margin	31.12.2025
Berea Sp. z o.o.	7 869	Euribor 3M + margin	31.12.2025
ZAM - Projekt Echo - 127 Sp. z o.o. Sp.k.	4 950	Wibor 3M + margin	30.06.2024
DKRA Echo Sp. z o.o.	535	fixed interest	22.04.2026
Projekt Echo - 137 Sp. z o.o.	9 754	Euribor 3M + margin	30.06.2024
Taśmowa - Projekt Echo - 116 Sp. z o.o.	44 105	Wibor 3M + margin	31.12.2024
Loans without interest and write-offs	446 232		
interest	57 794		
write-offs	(1 354)		
Total loans with interest and write-offs	502 672		

Basic data on major short-term borrowings, without interest, as at 31 December 2022 [PLN '000]

Contractor's name	Amount	Interest	Repayment date
Fianar Investments Sp. z o.o.	146 244	Wibor 3M + margin	31.12.2023
Strood Sp. z o.o.	136 459	Euribor 3M + margin	31.12.2023
Projekt 12 - Grupa Echo Sp. z o.o. Sp.k.	82 650	Wibor 3M + margin	31.12.2023
Villea Investments Sp. z o.o.	72 780	Wibor 3M + margin	31.12.2023
Projekt Echo - 137 Sp. z o.o.	7 274	Wibor 3M + margin	31.12.2023
Perth Sp. z o.o.	4 356	Wibor 3M + margin	31.12.2023
DKR Echo INvestment Sp. z o.o.	25 633	Euribor 3M + margin	30.09.2023
GRO Nieruchomości Sp. z o.o.	24 367	Wibor 3M + margin	31.12.2023
Elektrownia Sp. z o.o.*	271	Wibor 3M + margin	31.12.2023
Strood Sp. z o.o.	9 890	Wibor 3M + margin	31.12.2023
Galaxy - Grupa Echo Sp. z o.o. S.K.A.	8 366	Wibor 3M + margin	31.12.2023
Rondo 1 City Space - GP Sp. z o.o. Sp.k.	4 051	Wibor 3M + margin	31.12.2023
Echo - Opolska Business Park Sp. z o.o.	90	Wibor 3M + margin	31.12.2023
Projekt 5 - Grupa Echo Sp. z o.o. S.K.A.	668	Wibor 3M + margin	31.12.2023
Projekt Echo - 128 Sp. z o.o.	115	Wibor 3M + margin	31.12.2023
Projekt Echo - 112 Sp. z o.o.	112	Wibor 3M + margin	31.12.2023
Projekt Echo - 113 Sp. z o.o.	82	Wibor 3M + margin	31.12.2023
Projekt Echo - 131 Sp. z o.o.	65	Wibor 3M + margin	31.12.2023
Pure Systems Sp. z o.o.	55	Wibor 3M + margin	31.12.2023
Borrowings without interests and write-offs	523 528		
interests	66 204		
write-offs	(21 824)		
Total borrowings with interest and write-offs	567 908		

NOTE 6

Derivative financial instruments [PLN '000]

	31.12.2023	31.12.2022
Interest Rate Swap	9 392	26 251
Total	9 392	26 251
- long-term	-	26 251
- short-term	9 392	-

The company includes derivative financial instruments up to the level 2 in the hierarchy of fair value specified in the accounting standards. The valuation technique in the case of percentage swaps includes non-observable input data on estimated future cash flow based on profitable curves.

The Company uses a three-level hierarchy:

Level 1 — fair value is based on stock exchange prices (unadjusted) offered for identical assets or liabilities in active markets.

Level 2 - fair value is determined on the basis of values observed on the market, but which are not direct market quotations (e.g. they are determined by direct or indirect reference to similar instruments existing on the market).
Level 3 - fair value is determined on the basis of various valuation techniques that are not based, however, on any observable market data.

Key data on long-term derivative financial instruments [PLN '000]

	Nominal collateral	Valuation		Interest	Conclusion data	Redemption date
		31.12.2023	31.12.2022			
IRS - 39624	150 000	3 840	13 939	0,590%	24.08.2020	31.05.2024
IRS - 39827	100 000	5 552	12 312	0,535%	16.09.2020	5.08.2024

NOTE 7

Leasing receivables [PLN '000]

	31.12.2023	31.12.2022
up to 1 year	3 632	3 666
1 to 3 years	8 400	8 837
3 to 5 years	9 230	8 909
over 5 years	13 636	17 134
Total	34 898	38 546

The company estimated an ECL copy, due to the intangible amount of the amount, it decided not to enter it into the registers. Leasing receivables in the statement of

financial position are presented in current assets - trade and other receivables - short-term part and in fixed assets - leasing receivables - long-term part.

NOTE 8A

Inventory [PLN '000]

	31.12.2023	31.12.2022
Semi-finished products and work-in-progress	136 786	115 828
land usufruct asset	15 436	18 956
Finished products	1 322	3 613
Inventory in total	138 108	119 441

Inventories are measured at production or purchase cost, but not higher than the net realisable value of sales. This value is obtained from information from an active market. In the hierarchy of fair value for inventories, the Company assigned level 2. Reversal of inventory write-down takes place either in connection with sale of inventories or in connection with increase of net sale price. The amounts of inventory write-downs recognised as cost in the period and amounts of reversals of write-downs of values decreasing the value of inventories recognised as cost reductions in the period are presented in the income statement under "cost of sales".

"The "Finished products" item contains ready-made residential premises intended for sale.

The item "Semi-finished products and work-in-progress" includes mainly real estate owned by the Company and expenditure on housing projects in preparation and implementation.

NOTE 8B

Inventory — impact on results [PLN '000]

	31.12.2023	31.12.2022
Inventory write-offs recognised as cost in the period	-	(750)
Reversed write-downs on inventory recognised as revenue in the period	32	-
Movement in write-down on inventory	32	(750)

Inventory write-downs and their reversals apply to residential projects and are intended to write down the value to the level of obtainable price.

The change in the inventory write-down as at 31 December 2023 amounted PLN 32 thousand, it was PLN 750 thousand as at 31 December 2022.

The value of inventories recognized as income/cost in the period is disclosed in the income statement under "cost of sales".

NOTE 9A

Short-term trade receivables, taxes and other [PLN '000]

	31.12.2023	31.12.2022
Trade receivables and other		
a) receivables from subsidiaries	45 720	56 493
trade, with maturity:	34 767	40 778
up to 12 months	34 767	40 778
other:	10 953	15 715
due to profit from limited partnerships	10 896	15 715
Receivables from other entities	36 693	12 689
trade, with maturity:	2 101	2 717
up to 12 months	2 101	2 717
other	34 592	9 972
security deposits paid	19 275	1 548
lease receivables	3 632	-
bid bonds paid	11 350	3 348
advances for deliveries	335	5 076
	82 413	69 182
Total tax receivables		
due to income tax	3 967	3 337
	3 967	3 337
Total net short-term trade receivables, taxes and other	86 380	72 519
total write-downs for expected credit losses of receivables	(4 364)	(3 189)
Total gross short-term trade receivables, taxes and other receivables	90 744	75 708

The maximum value of credit risk related to trade receivables does not significantly differ from the carrying amount. The estimated fair value of trade receivables is the current value of future expected discounted cash flows and it does not deviate significantly from the balance sheet value of these receivables.

Receivables from affiliated companies are not secured. In relation to related entities, the credit risk, in the opinion of the Management Board, is minimised through regular monitoring of operating activities and the assessment of investment projects of these companies. In the opinion of the Management Board, through the ability to monitor the operations of subsidiaries and the periodic confirmation of the profitability of their projects, the Company has the option of assessing receivables for which credit risk has increased significantly. The Management Board of

the Company did not find such receivables, even with respect to overdue receivables over 30 days, based on the assessment of investment projects of subsidiaries.

Receivables on account of deliveries and services result from rental of office space and residential premises as well as project implementation services and other services. The company controls the condition and payment capacity of its contractors on an ongoing basis. There is no significant risk concentration in relation to any of the clients of the Company from outside the Echo Investment Group. As at 31 December 2023, the Company estimated the impairment loss on trade receivables by applying a provision matrix based on historical data regarding the repayment of receivables by contractors.

NOTE 9B

Changes in write-downs on short-term receivables [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Opening balance	3 189	2 651
Increases	1 175	786
due to write-down recognition	1 175	786
Decreases	-	(248)
due to repayment	-	(184)
due to termination	-	(64)
Write-downs on expected credit losses on short-term receivables at the end of the period	4 364	3 189

The impairment loss expected credit losses on receivables has been disclosed under 'other operating revenues / costs in the profit and loss account of the Company.

NOTE 9C

Short-term trade receivables, taxes and other - currency structure [PLN '000]

	31.12.2023	31.12.2022
In the Polish currency (PLN)	74 452	73 538
In other currencies, recalculated into PLN	16 292	2 170
unit/currency EUR	3 747	463
PLN '000	16 292	2 170
Total gross short-term trade receivables, taxes and other	90 744	75 708

NOTE 9D

Overdue gross trade receivables, with remaining maturity from the balance sheet date [PLN '000]

	31.12.2023	31.12.2022
up to 1 month	6 194	4 057
1-3 months	1 654	159
3-6 months	241	302
6-12 months	682	408
over 12 months	3 524	3 338
Total gross overdue trade receivables	12 295	8 264
write-downs for expected credit losses and valuation of overdue trade receivables	(4 364)	(3 189)
Total net overdue trade receivables	7 931	5 075

NOTE 10A

Cash, cash equivalents and other financial assets [PLN '000]

	31.12.2023	31.12.2022
Restricted cash	3 534	-
- inflows from clients buying apartments, blocked on escrow accounts, being released by bank as the investment progresses	3 534	-
Cash in hand and in bank accounts	101 552	116 073
Total cash, cash equivalents and other financial assets	105 086	116 073

As at 31 December 2023, the Company has cash at re-owned banks, mainly mBank. The risk of cash concentration is presented in part 3, point 06 Financial risk management - risk of loss of liquidity.

The maximum value of credit risk related to cash equals its balance sheet value.

Cash at bank bears interest at variable rates, which depend on the interest rate on overnight bank deposits. Short-term deposits are arranged for various periods ranging from one day to one month, depending on the Company's current needs for cash and bear interest at the interest rates determined for them.

NOTE 10B

Cash, cash equivalents and other financial assets - currency structure [PLN '000]

	31.12.2023	31.12.2022
In the Polish currency (PLN)	71 304	112 535
In other currencies (recalculated into PLN)	33 782	3 538
unit/currency EUR	7 761	743
PLN '000	33 746	3 483
unit/currency HUF	2 729	4 253
PLN '000	31	50
unit/currency USD	1	1
PLN '000	5	5
Total cash, cash equivalents and other financial asset	105 086	116 073

NOTE 11A

Share capital

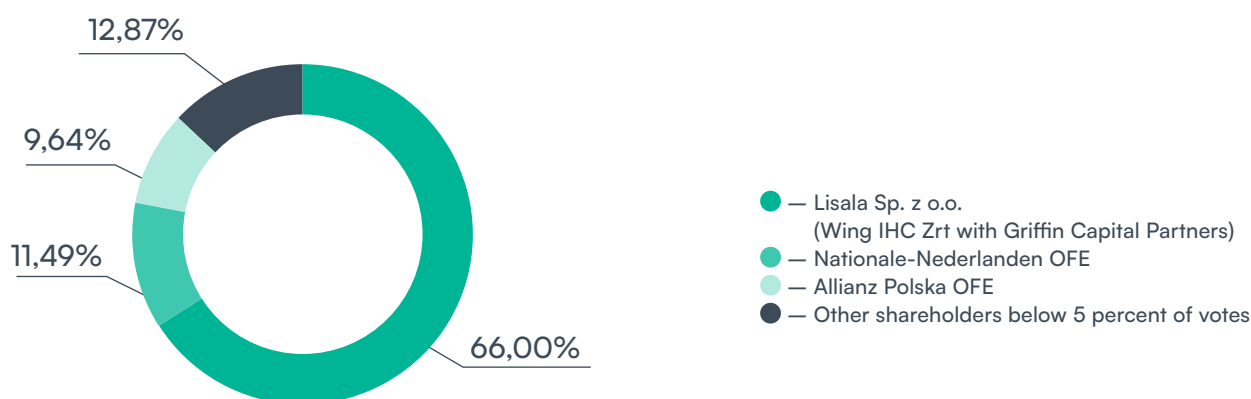
Nominal value per 1 share = 0,05 PLN

Series / Issue	Type of share	Type of limited rights to shares	No. of shares	Value of series / issue at nominal value [PLN '000]	Capital payment
A, B, C, D, E, F	bearer shares	none	412 690 582	20 635	cash
Total no. of shares			412 690 582		
Total share capital				20 635	

Major Shareholders holding at least percent of the total number of votes at the Company's General Meeting of Shareholders as at the date of publication of this report, i.e. 31 December 2023.

Shareholders	Number of votes/ shares	% share capital	number of votes	% votes at the GMS
Lisala Sp. z o.o. (Wing IHC Zrt with Griffin Capital Partners)	272 375 784	66.00	272 375 784	66.00
Nationale-Nederlanden OFE	47 413 000	11.49	47 413 000	11.49
Allianz Polska OFE	39 781 769	9.64	39 781 769	9.64
Other shareholders below 5 percent of votes	53 120 029	12.87	53 120 029	12.87

% of capital at 31 December 2023



NOTE 11B

Supplementary capital [PLN '000]

	31.12.2023	31.12.2022
Share premium	100 748	100 748
Statutory	6 878	6 878
Created from generated profit according to the statute/articles of associations, over the statutorily required minimum value	596 647	596 647
Other	22	22
Total supplementary capital	704 295	704 295

NOTE 11C

Change of dividend fund [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Opening balance	296 169	413 912
Changes in the period		
dividend fund	40 792	(90 793)
dividend approved for payment*	(40 792)	(40 792)
distribution of the profit from previous years	9 420	13 842
Closing balance	305 589	296 169

On 26 April 2017, the Management Board of Echo Investment S.A. passed a resolution on the adoption of a dividend policy. The company intends to give shareholders a return on their invested capital in the form of share appreciation, but also dividends paid regularly. According to the adopted dividend policy, from profit for 2018 and subsequent years, the Management Board will recommend the payout of dividends of up to 70 percent of the Group's consolidated net profit attributable to shareholders of the parent company.

When recommending the payout of dividends, the Management Board will take into account the Company's and the Group's current and expected financial condition and growth strategy, in particular:

- the Group's safe and most effective level of debt and liquidity management,
- investment plans resulting from the development strategy - in particular land acquisitions.

NOTE 12A

Long-term liabilities without income tax provision [PLN '000]

	31.12.2023	31.12.2022
Loans, borrowings and long-term bonds		
Due to subsidiaries		
credits and loans	120 591	57 576
	120 591	57 576
Due to other entities		
due to debt security issue	1 069 460	1 103 961
	1 069 460	1 103 961
Short-term loans, borrowings and bonds		
Due to subsidiaries		
borrowings	22 394	150 913
	22 394	150 913
Due to other entities		
loans and borrowings	152 448	155 399
due to issue of debt securities	414 226	300 539
	566 674	455 938
Total short-term loans, borrowings and bonds	1 779 119	1 768 388
- long-term	1 190 051	1 161 537
- short-term	589 068	606 851
Interest rates used to discount expected lease cash flows:	from 1.77% to 12.05%	from 2.10% to 7.95%

According to the best information and data of the Company, during the financial year and until the date of signing the financial statements, there were no violations

of the terms of loan agreements and established security levels.

NOTE 12B

Long-term liabilities without income tax provision with remaining maturities from the balance sheet date [PLN '000]

	31.12.2023	31.12.2022
1-3 years	669 830	893 763
3-5 years	553 683	312 162
Over 5 years	16 597	28 260
Total long-term liabilities	1 240 110	1 234 185
Interest rates used to discount expected cash flows:	from 1.77% to 12.05%	from 2.10% to 7.95%

Long-term liabilities in nominal value were presented by the Company in note 12E and 12F.

NOTE 12C

Long-term liabilities without provision for income tax - currency structure [PLN '000]

	31.12.2023	31.12.2022
In Polish currency (PLN)	887 102	953 056
In other currencies (recalculated into PLN)	353 008	281 129
Total long-term liabilities	1 240 110	1 234 185

Short-term loans, borrowings and bonds - currency structure [PLN '000]

	31.12.2023	31.12.2022
In the Polish currency (PLN)	528 835	455 938
In other currencies (recalculated into PLN)	60 233	150 913
Total short-term loans, borrowings and bonds	589 068	606 851

Financial liabilities arising from debt financial instruments are measured using the "amortized cost of liabilities" method in accordance with IFRS 9. The fair value of

long-term liabilities does not differ significantly from their carrying value.

Basic data on short-term borrowings as at 31 December 2023 [PLN '000]

Contractor's name	Amount	Interest	Repayment date
Projekt Beethovena - Projekt Echo - 122 Sp. z o.o. S.K.A.	21 146	EURIBOR 3M + margin	30.09.2024
Pudsey Sp. z o.o.	195	EURIBOR 3M + margin	30.09.2024
Borrowings without interests and write-offs	21 341		
Interests	1 053		
Total borrowings with interest and write-offs	22 394		

Basic data on short-term borrowings as at 31 December 2022 [PLN '000]

Contractor's name	Amount	Interest	Repayment date
Projekt Echo - 129 Sp. z o.o.	143 113	EURIBOR 3M + margin	30.09.2025
Borrowings without interests and write-offs	143 113		
Interests	7 800		
Total borrowings with interest and write-offs	150 913		

NOTE 12D

Long-term liabilities - change due to leasing [PLN '000]

	31.12.2023	31.12.2022
Opening balance	96 146	133 376
Changes in the period	(28 112)	(37 230)
new purchases	2 711	4 159
financial costs	(3 935)	5 518
payment	(13 093)	(14 813)
project's completion/sale	(13 795)	(32 094)
Closing balance	68 034	96 146
- long-term	44 895	65 353
- short-term	23 139	30 793

Leasing costs [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Cost related to lease of low assets value	1 054	1 679
Cost related to short-term lease	13 094	13 221
Total	14 148	14 900

The total cash outflow due the lease amounted to PLN 14,900 thousand as at 31 December 2023.

NOTE 12E

Echo Investment S.A.'s lines of credit as at 31 December 2023 [PLN '000]

Bank	Contractual amount of loan	Outstanding loan amount	Interest rate	Repayment deadline
PKO BP S.A.*	75 000	61 078	Wibor 1M + marża	31.10.2025
Alior Bank S.A.	30 000	30 000	Wibor 3M + marża	8.09.2025
Santander Bank Polska S.A.**	90 000	61 370	Wibor 1M + marża	31.05.2024
Total	195 000	152 448		

* The available loan amount as at 31 December 2023 is reduced by issued guarantees and amounts to PLN 6.3 million.

** The available loan amount as at 31 December 2023 is reduced by issued guarantees and amounts to PLN 2.9 million.

Credit lines are secured by standard tools such as a power of attorney over a bank account or a declaration of sub- mission to execution. The value of the loan corresponds to the undiscounted cash flow.

Echo Investment S.A.'s lines of credit as at 31 December 2022 [PLN '000]

Bank	Contractual amount of loan	Outstanding loan amount	Interest rate	Repayment deadline
PKO BP S.A.*	75 000	62 931	Wibor 1M + margin	31.10.2023
Alior Bank S.A.	25 000	25 000	Wibor 3M + margin	10.07.2023
Santander Bank Polska S.A.**	100 000	67 468	Wibor 1M + margin	28.02.2023
Total	200 000	155 399		

* The available loan amount as at December 31, 2022 is reduced by the issued guarantees and amounts to PLN 2 million.

** The available loan amount as at December 31, 2022 is reduced by the issued guarantees and amounts to PLN 27.2 million.

The loan value corresponds to the nominal amount of the credit line used.

Long- and short-term liabilities related to issued debt financial instruments as at December 31, 2023 [PLN '000]

Series	ISIN code	Bank / brokerage house	Nominal value	Maturity	Interest rate
1/2020	PLO017000012	mBank S.A.	70 000	31.05.2024	WIBOR 6M + margin 4,50%
1/2021	PLO017000046	mBank S.A.	195 000	17.03.2025	WIBOR 6M + margin 4,45%
2/2021	PLO017000061	mBank S.A.	172 000	10.11.2025	WIBOR 6M + margin 4,4%
11/2022	PLO017000079	Ipopema Securities S.A.	180 000	8.12.2027	WIBOR 6M + margin 4,5%
21/2023	PLO017000087	Ipopema Securities S.A.	140 000	24.05.2028	WIBOR 6M + margin 4,5%
Bonds for institutional investors			757 000		
1P/2021	PLO017000053	Michael/Ström DM (agent)	188 000	22.10.2024	fixed interest rate 5%
K	PLECHPS00324	DM PKO BP	50 000	10.01.2025	WIBOR 6M + margin 4,0%
L	PLECHPS00332	DM PKO BP	50 000	22.02.2026	WIBOR 6M + margin 4,0%
M	PLECHPS00340	DM PKO BP	40 000	27.04.2026	WIBOR 6M + margin 4,0%
N	PLECHPS00357	DM PKO BP	40 000	27.06.2026	WIBOR 6M + margin 4,0%
O	PLECHPS00365	DM PKO BP	25 000	6.09.2026	WIBOR 6M + margin 4,0%
P/P2	PLECHPS00373	DM PKO BP	50 000	28.06.2027	WIBOR 6M + margin 4,0%
R	PLECHPS00381	Biuro Maklerskie PKO BP	50 000	15.11.2027	WIBOR 6M + margin 4,0%
Bonds for individual investors			493 000		
Total			1 250 000		

Bonds for institutional investors [EUR '000]

Series	ISIN code	Bank / brokerage house	Nominal value	Maturity	Interest rate
1E/2020	PLECHPS00316	PEKAO S.A.	8 700	23.10.2024	fixed interest: 4,5%
3I Series issue	PLO017000095	Biuro Maklerskie PKO BP	43 000	27.10.2028	fixed interest: 7,4%
Bonds for institutional investors - denominated in euro			51 700		
Bonds for institutional investors - denominated in PLN			231 874		

Changes in business and economic conditions did not have a significant impact on the fair value of financial liabilities. Fair value measurement for listed bonds was

classified to level 1 and for unquoted bonds to level 2 in the fair value hierarchy specified in accounting standards.

Long- and short-term liabilities related to issued debt financial instruments as at December 31, 2022 [PLN '000]

Series	ISIN code	Bank / brokerage house	Nominal value	Maturity	Interest rate
1/2019	PLECHPS00308	mBank S.A.	96 510	11.04.2023	Wibor 6M + margin
2/2021	PLO017000061	mBank S.A.	172 000	10.11.2025	Wibor 6M + margin
1/2020	PLO017000012	mBank S.A.	70 000	31.05.2024	Wibor 6M + margin
1/2021	PLO017000046	mBank S.A.	195 000	17.03.2025	Wibor 6M + margin
11/2022	PLO017000079	IPOPEMA	180 000	8.12.2027	Wibor 6M + margin
Bonds for institutional investors			713 510		
N Series issue	PLECHPS00357	Agent : DM PKO BP	40 000	27.06.2026	Wibor 6M + margin
O Series issue	PLECHPS00365	Agent : DM PKO BP	25 000	6.09.2026	Wibor 6M + margin
I Series Issue	PLECHPS00274	Konsorcjum: DM PKO Banku Polskiego S.A., Noble Securities S.A. i Centralny Dom Maklerski Pekao S.A	50 000	8.11.2023	Wibor 6M + margin
K Series issue	PLECHPS00324	DM PKO BP S.A.	50 000	10.01.2025	Wibor 6M + margin
L Series issue	PLECHPS00332	DM PKO BP S.A.	50 000	22.02.2026	Wibor 6M + margin
M Series issue	PLECHPS00340	DM PKO BP S.A.	40 000	7.04.2026	Wibor 6M + margin
1P/2021 Series Issue	PLO017000053	Michael / Ström Dom Maklerski S.A. jako agent	188 000	22.10.2024	fixed interest rate 5%
J and J2 Series issue	PLECHPS00290	"Seria J: konsorcjum Noble Securities S.A., Michael / Ström Dom Maklerski S.A., Dom Maklerski Banku Ochrony Środowiska S.A Seria J2: DM PKO Banku Polskiego S.A"	33 832	21.09.2023	Wibor 6M + margin
Bonds for individual investors			476 832		
Total			1 190 342		

Bonds for institutional investors [EUR '000]

Series	ISIN code	Bank / brokerage house	Nominal value	Maturity	Interest rate
1E/2020	PLECHPS00316	PEKAO S.A.	40 000	23.10.2024	fixed interest rate 4,5%
Bonds for institutional investors - denominated in EUR			40 000		
Bonds for institutional investors - denominated in PLN			183 508		

NOTE 12G

Debt financial instruments [PLN '000]

	31.12.2023	31.12.2022
Carrying amount	1 481 874	1 377 938
Fair value	1 499 212	1 450 714

Change in deferred income tax asset/provision [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Balance of deferred income tax asset/ provision at beginning of period	(12 396)	(16 677)
financial instruments	(2 161)	(2 271)
investment properties	513	513
loan receivables and liabilities	(22 501)	(14 170)
loan and bond liabilities	1 868	(1 559)
tax loss	3 420	2 344
inventory	4 625	1 713
interests and shares	1 636	1 636
leasing	1 448	1 995
other	(1 244)	(6 878)
Increases	16 627	13 159
financial instruments	377	110
investment properties	-	-
loan receivables and liabilities	2 106	-
loan and bond liabilities	-	3 427
tax loss	12 477	1 076
inventory	-	2 912
interests and shares	-	-
leasing	148	-
other	1 519	5 634
Decreases	(8 858)	(8 878)
financial instruments	-	-
investment properties	-	-
loan receivables and liabilities	(2 444)	(8 331)
loan and bond liabilities	(4 289)	-
tax loss	-	-
inventory	(1 305)	-
interests and shares	-	-
leasing	(820)	(547)
other	-	-
Balance of deferred income tax asset/ provision at end of period	(4 627)	(12 396)
financial instruments	(1 784)	(2 161)
investment properties	513	513
loan receivables and liabilities	(22 839)	(22 501)
loan and bond liabilities	(2 421)	1 868
tax loss	15 897	3 420
inventory	3 320	4 625
interests and shares	1 636	1 636
leasing	776	1 448
other	275	(1 244)

There is no tax loss in the Company for the years 2019 - 2023 from which no asset was created. The right to

reduce tax due to the tax loss expires in 2028. The Company plans to settle the tax loss in 2024 and 2025.

Long-term liabilities without income tax provision [PLN '000]

31.12.2023 31.12.2022

Long-term liabilities, deposits received, advance payments received and others - excluding provisions for income tax		
Due to subsidiaries		
	-	-
Due to other entities		
lease	44 895	65 353
security deposits and advances received	2 988	2 737
bonuses for the management board + retirement severance pay	2 176	4 558
	50 059	72 648
Short-term trade liabilities, taxes, deposits received, advance payments received and others		
Short-term trade liabilities		
Trade, due to subsidiaries, with maturity:	13 006	9 033
up to 12 months	13 006	9 033
Trade, due to other entities, with maturity:	23 640	11 104
up to 12 months	23 640	11 104
	36 646	20 137
Deposits received and advances received		
Advances received (liability related to contract)	27 306	5 854
Security deposits received	17 996	3 934
	45 302	9 788
Tax liability		
Due to other taxes	1 220	1 831
Due to current portion of income tax	105	5
	1 325	1 836
Lease liability		
Due to right of perpetual usufruct of land	13 094	17 506
Due to car leasing	1 683	2 880
Due to property leasing	8 362	10 407
	23 139	30 793
Other short-term liabilities		
Other liabilities	24 294	119 020
payroll	(28)	5
derivative financial instruments	-	14 876
other (due to):	24 322	104 139
dividend	-	90 792
cash on escrow account	3 534	-
Other, including:	20 788	13 347
bonuses for management and employees	19 377	8 022
	24 294	119 020
Total short-term trade liabilities, taxes, received deposits, received advances and other		
	180 765	254 222
- long-term	50 059	72 648
- short-term	130 706	181 574
Interest rates used to discount expected cash flows for leasing:	from 1.77% to 12.05%	from 2.10% to 7.95%

Fair value of trade and other liabilities does not differ materially from their carrying value.

On April 18, 2023, acting on the basis of the option agreement of April 22, 2021, Echo Investment S.A. exercised its right to acquire and purchased from Mrs. Dorota Jarodzka-Śródka and Mr. Rafał Jarodzki all shares in the share capital of DKRA Sp. z o. o. based in Wrocław, which holds 2,132,964 shares in the share capital of Archicom S.A. based in Wrocław, constituting a total of 8.31% of the share capital of Archicom, entitling to a total of 4,246,578

votes at the general meeting of Archicom, constituting a total of approximately 13.32% of the total votes at the general meeting of Archicom.

The above transaction resulted in the total settlement (decrease) of the liability related to the financial instrument valued at PLN 15 million in respect of the option held in the separate statement of financial position, which was presented in the Condensed Mid-Year Profit and Loss Statement in the Other Financial Income line.

NOTE 13B

Short-term trade liabilities, taxes, security deposits received, advances received and other - without provisions [PLN '000]

	31.12.2023	31.12.2022
In the Polish currency (PLN)	116 392	181 544
In other currencies (recalculated into PLN)	14 314	30
unit/currency EUR	3 292	6
PLN '000	14 314	30
Short-term trade liabilities, taxes, security deposits received, advances received and other - total	130 706	181 574

NOTE 14

Movement in short-term provisions — by types [PLN '000]

	31.12.2023	31.12.2022
Opening balance		
provisions for guarantees	2 389	482
provisions for repairs	848	749
court proceedings	2 376	310
provision for costs	6 315	6 315
	11 928	7 856
Increases		
provisions for guarantees	-	1 907
provisions for repairs	390	99
provision for costs	3 499	-
court proceedings	524	2 066
	4 413	4 072
Release due to		
provision for costs	(6 315)	-
provisions for guarantees	(753)	-
	(7 068)	-
Closing balance		
provisions for repairs	1 238	848
provisions for guarantees	1 636	2 389
court proceedings	2 900	2 376
provision for costs	3 499	6 315
	9 273	11 928

Provision for penalties includes the value of any penalties with which the Company may be charged due to contracts concluded, with a probability of charging that exceeds 50 percent. The amount of the provision was estimated based on the best knowledge of the Company and based on its past experience.

The provision for litigation includes litigation against the company where the probability of success is less than 50 percent.

The provision for projected costs of warranty repairs includes the value of repairs or compensation for sold premises and projects with a probability of charging that exceeds 50 percent. The amount of the provision was

estimated based on the best knowledge of the Company and based on its past experience.

The provision for warranties includes the value of expected losses on guarantees and warranties provided by the Company to its subsidiaries, which are either financial security relating to the execution of projects or after-sales security for new investors. The amount of the provision has been estimated in accordance with the requirements of IFRS 9.

The dates of crystallising of the provisions for penalties and losses, warranty costs and court cases are not possible to be estimated, however, there is a high probability of their implementation within 12 months from the balance sheet date.

Off-balance sheet items [PLN '000]

	31.12.2023	31.12.2022
Contingent liabilities	-	-
To related entities	2 472 844	2 756 279
due to guarantees and sureties granted	2 472 844	2 756 279
	2 472 844	2 756 279
Other:		
due to court proceedings against Echo Investment	6 766	6 846
	6 766	6 846
Total	2 479 610	2 763 125

Financial guarantee agreements are recognized as financial liabilities when the guarantee is issued. The liability is initially recognized at fair value.

IFRS 9 introduced a model based on the concept of expected losses, also in case of the issuer of financial guarantees. The Company does not carry out separate activities in this respect, but is only a party to guarantees in relation to office and retail projects carried out by subsidiaries. Such guarantees are either project-related securities or after-sales securities for new investors and are a form of security commonly used in the market. In the opinion of the Management Board, the Company is

fully able to monitor credit risk associated with the issued guarantees as a result of monitoring the activities of its subsidiaries. The entities of the Echo Investment Group are fully capable and prepared to meet their contractual obligations, so the Management Board of the Company has not identified any significant expected losses due to guarantees and sureties issued by the Company.

In accordance with the requirements of IFRS 9, a provision for expected credit losses has been recognised at 31 December 2023 in the amount of PLN 2 155 thousand and at 31 December 2021 in the amount of - PLN 482 thousand.

Sureties and guarantees granted by Echo Investment S.A.:

Surety agreements

Financial surety agreements issued by Echo Investment S.A. as at 31 December 2023 [PLN '000]

Issuer	Entity receiving the surety	Beneficiary	Value	Validity	Description
Echo Investment S.A.	City Space - GP Sp. z o.o.	Bletwood Investments Sp. z o.o.	2 506	22.11.2029	Surety for liabilities, as a collateral of liabilities resulting from the lease agreement of 6.11.2015. Surety issued in EUR.
Echo Investment S.A.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.	Archicom S.A.	5 817	31.01.2030	Solidarity obligation of Echo Investment S.A. in connection with the rent guarantee.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	HPO AEP Sp. z o.o. Sp. j.	10 870	7.12.2031	Surety for liabilities of the entity, as a collateral of liabilities resulting from the good neighbourhood agreement of 7.12.2016. Mutual surety issued in EUR.
Total			19 193		

Surety agreements issued by Echo Investment S.A. as at 31 December 2022 [PLN '000]

Issuer	Entity receiving surety	Beneficiary	Value	Expiry date	Description
Echo Investment S.A.	Pimech Invest Sp. z o.o.	Miasto Stołeczne Warszawa	1 230	30.03.2023	Surety for proper performance of the liabilities arising from the road construction agreement.
Echo Investment S.A.	City Space Sp. z o.o.	Bletwood Investments Sp. z o.o.	2 703	22.11.2029	Surety for liabilities, as a collateral of liabilities resulting from the lease agreement of 6 November 2015. Surety issued in EUR.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	HPO AEP Sp. z o.o. Sp. j.	11 725	7.12.2031	Surety for liabilities of the entity, as a collateral of liabilities resulting from the good neighbourhood agreement of 7 December 2016. Mutual surety issued in EUR.
Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	PKO BP S.A.	162 857	31.12.2026	Surety for particular liabilities as a collateral of claims resulting from residential project and mortgage separation of real estate. Surety issued in EUR.
Total			178 515		

Changes in surety agreements issued by Echo Investment S.A. in 2023 [PLN '000]

Zmiana	Poręczyciel	Podmiot otrzymujący poręczenie	Beneficjent	Wartość	Data zmiany	Tytułem
Expiry	Echo Investment S.A.	Pimech Invest Sp. z o.o.	Miasto Stołeczne Warszawa	1 230	30.03.2023	Surety for proper performance of the liabilities arising from the road construction agreement.
Expiry	Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	PKO BP S.A.	162 534	31.03.2023	Surety for particular liabilities as a collateral of claims resulting from residential project and mortgage separation of real estate. Surety issued in EUR.

Guarantees

Financial guarantees issued by Echo Investment S.A. as at 31 December 2023 [PLN '000]

Guarantor	Entity receiving the guarantee	Beneficiary	Value	Validity	Description
Echo Investment S.A.	City Space Management Sp. z o.o.	FARKAS Grundstücks-gesellschaft mbH & Co. KG	526	27.02.2024	Corporate guarantee securing payment of rent and service charges relating to the lease agreement of 17 September 2021 Fuzja J.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	APAK Grundstücks-gesellschaft mbH & Co. KG	5 496	11.03.2024	Security for the proper performance of obligations arising under rental guarantee related to the retail space in the Villa Offices (building K), being a part of the Warsaw Brewery complex. Guarantee issued in EUR.
Echo Investment S.A.	City Space Management Sp. z o.o.	Huramitell Investments Sp. z o.o.	763	30.04.2024	Security for liabilities resulting from the lease agreement concluded on 30.09.2020. Guarantee issued in EUR.
Echo Investment S.A.	Grupa Echo Sp. z o.o.	IB 14 FIZAN	15 545	24.05.2024	Security for the proper performance of the obligations arising from the contract for the sale of the West Link office building in Wrocław. Guarantee issued in EUR.
Echo Investment S.A.	City Space Management Sp. z o.o.	Midpoint 71 Sp. z o.o.	952	25.05.2024	Corporate guarantee securing the City Space Management lease agreement. Guarantee issued in EUR.
PKO Bank Polski S.A International Banking and Trade Finance Department. Trade Finance Office. Guarantee Team	Echo Investment S.A.	APAK Grundstücks-gesellschaft mbH & Co. KG	674	10.08.2024	Guarantee of proper performance of the terms of the Lease Agreement, which in particular includes the payment of rent, service charges, claims for payment of contractual penalties, payment of a guarantee deposit, possible interest to the space lease agreement
Santander Bank Polska S.A. Trade, Finance and Credit Centre, Guarantee Service Team	Echo Investment S.A.	Miasto Stoleczne Warszawa	25 000	30.10.2024	Guarantee securing obligation to performance of the accompanying investment under the special housing act - building a primary school and transferring it to the City of Warsaw.
Echo Investment S.A.	Echo-Arena sp. z o.o.	PKO Bank Polski S.A.	43 480	20.12.2024	Guarantee to ensure that the debt service ratio is maintained. Guarantee issued in EUR.
Echo Investment S.A.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.	SER Poland Sp. z o.o.	1 044	31.12.2024	Unconditionally and irrevocably guarantees of full, due and punctual performance of all payment obligations under the lease agreement. Guarantee issued in EUR.
Echo Investment S.A.	R4R Warszawa Opaczewska S.o. z o.o.	Blue Parking Sp. z o.o.	45 130	20.01.2025	Guarantee for the fulfillment of obligations under the preliminary agreement for the purchase of real estate at ul. Opaczewska.
Echo Investment S.A.	Opolska Business Park Sp. z o.o. Sp.k.	EPP Office O3 Business Campus Sp. z o.o.	0	11.02.2025	Corporate guarantee securing the rent guarantee and coverage of service charges related to the sale of O3 Business Campus III in Cracow. Rent guarantee partly issued in EUR.
Echo Investment S.A.	Opolska Business Park Sp. z o.o. Sp.k.	EPP Office O3 Business Campus Sp. z o.o.	0	11.02.2025	Corporate guarantee securing the rent guarantee and coverage of service charges related to the sale of O3 Business Campus III in Cracow. Rent guarantee partly issued in EUR.
Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	FARKAS Grundstücks-gesellschaft mbH & Co. KG	914	30.06.2025	Corporate guarantee securing the rent guarantee related to the sale of Fuzja CDJ in Lodz (retail part). Guarantee issued in EUR.

Financial guarantees issued by Echo Investment S.A. as at 31 December 2023 [PLN '000]

Guarantor	Entity receiving the guarantee	Beneficiary	Value	Validity	Description
Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Tal Poland Sp. z o.o.	19	4.08.2026	Security for the proper performance of obligations arising under rental guarantee related to the office space in the My Place II office building. Issued in EUR and PLN. The maximum amount of the liability reduces, as the amount of the liability that is secured by the guarantee decreases.
Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Tal Poland Sp. z o.o.	698	4.08.2026	Security for the proper performance of obligations arising under rental guarantee related to the office space in the My Place II office building. Issued in EUR and PLN. The maximum amount of the liability reduces, as the amount of the liability that is secured by the guarantee decreases.
Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Portfel2 PH5 sp. z o.o.	333	21.11.2026	Security for the proper performance of obligations arising under rental guarantee and coverage of service charges related to sale of Moje Miejsce I office building. Rent guarantee issued in EUR.
Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Portfel2 PH5 sp. z o.o.	3 582	21.11.2026	Security for the proper performance of obligations arising under fit-out agreement related to sale of Moje Miejsce I office building. Guarantee issued in EUR.
Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Portfel2 PH5 sp. z o.o.	0	21.11.2026	Security for the proper performance of obligations arising under rental guarantee and coverage of service charges related to sale of Moje Miejsce I office building.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	Westinvest Gesellschaft Für Investmentfonds Mbh Sp. z o.o. Oddział w Polsce	7 826	30.11.2026	Security for the proper performance of obligations arising under the sale agreement of the building Villa Schiele, being part of the Warsaw Brewery complex. Guarantee issued in EUR.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	LUX Europa III S.à r.l.	47 828	3.03.2027	Security for the proper performance of the liabilities arising from the sale contract of the Gatehouse Offices building being part of the Warsaw Brewery complex. Guarantee issued in EUR.
Echo Investment S.A.	Nobilis City Space GP Sp. z o.o. Sp.k.	Nobilis - Business House sp. z o.o.	567	31.10.2027	Guarantee securing liabilities resulting from the annex to leasing agreement. Issued in EUR.
Echo Investment S.A.	Projekt 17 - Grupa Echo Sp. z o.o. S.K.A.	Barcarrota Sp. z o.o.	30 766	31.12.2027	Security for the proper performance of obligations arising under the sale agreement of the building West 4 Business Hub I. Guarantee issued in EUR.
Echo Investment S.A.	Projekt 17 - Grupa Echo Sp. z o.o. S.K.A.	Barcarrota Sp. z o.o.	11 232	20.01.2028	Security for the proper performance of obligations arising under fit-out works agreement re. West 4 Business Hub I. Guarantee issued in EUR.
Echo Investment S.A.	Projekt 17 - Grupa Echo Sp. z o.o. S.K.A.	Barcarrota Sp. z o.o.	4 210	20.01.2028	Security for the proper performance of obligations arising under rental guarantee related to the office space and coverage of service charges in the West 4 Business Hub I. Rent guarantee issued in EUR.
Echo Investment S.A.	Projekt 17 - Grupa Echo Sp. z o.o. S.K.A.	Barcarrota Sp. z o.o.	527	20.01.2028	Security for the proper performance of obligations arising under rental guarantee related to the office space and coverage of service charges in the West 4 Business Hub I.

Financial guarantees issued by Echo Investment S.A. as at 31 December 2023 [PLN '000]

Guarantor	Entity receiving the guarantee	Beneficiary	Value	Validity	Description
Echo Investment S.A.	Face2Face - Stranraer Sp. z o.o. S.K.A.	Huramitell Investments Sp. z o.o.	97 156	23.02.2029	Security for the proper performance of obligations arising under the sale agreement of Face2Face office buildings. Issued in EUR.
Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Tal Poland Sp. z o.o.	34 773	30.04.2029	Security for the proper performance of obligations arising under the sale agreement of the My Place II office building. Issued in EUR.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	LUX Europa III S.à r.l.		30.06.2029	Security for the proper performance of liabilities arising from the sale agreement of the Gatehouse Office building in the Warsaw Brewery complex. Rental guarantee issued in EUR.
Echo Investment S.A.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.	SER Poland Sp. z o.o.	4 484	30.09.2029	Corporate guarantee securing the rent guarantee and coverage of service charges related to the sale of Midpoint 71 in Wrocław. The maximum amount of liability will be gradually reduced along with the decrease in the amount of liability secured by the guarantee. Rent guarantee issued in EUR.
Echo Investment S.A.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.	SER Poland Sp. z o.o.	186	30.09.2029	Corporate guarantee securing the rent guarantee related to the sale of Midpoint 71 in Wrocław. Issued in EUR and PLN. The maximum amount of liability will be successively reduced as the amount of liability secured by the guarantee decreases.
Echo Investment S.A.	Face2Face - Stranraer Sp. z o.o. S.K.A.	Huramitell Investments Sp. z o.o.	10 781	23.02.2030	Security for the proper performance of obligations arising under rental guarantee related to sale of Face2Face office buildings. Issued in EUR. The maximum amount of the liability reduces during given calendar year, as the amount of the liability that is secured by the guarantee decreases.
Echo Investment S.A.	Face2Face - Stranraer Sp. z o.o. S.K.A.	Huramitell Investments Sp. z o.o.	177	23.02.2030	Security for the proper performance of obligations arising under rental guarantee related to sale of Face2Face office buildings. Issued in EUR. The maximum amount of the liability reduces during given calendar year, as the amount of the liability that is secured by the guarantee decreases.
Echo Investment S.A.	Rondo 1 City Space - GP Sp. z o.o. Sp.k.	RONDO 1 UG (haftungsbeschränkt) & Co. KG.	1 903	1.03.2031	Corporate guarantee granted to secure obligations arising from the lease agreement of 24 May 24 2015 regarding the lease of the office at Rondo 1.
Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	FARKAS Grundstücksgesellschaft mbH & Co. KG	645	30.06.2031	Corporate guarantee securing the rent guarantee and coverage of service charges related to the sale of Fuzja CDJ in Lodz (office part). Rent guarantee issued in EUR.
Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	FARKAS Grundstücksgesellschaft mbH & Co. KG	379	30.06.2031	Corporate guarantee securing the rent guarantee related to the sale of Fuzja CDJ in Lodz (office part). Guarantee issued in EUR.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	Westinvest Gesellschaft Für Investmentfonds Mbh Sp. z o.o. Oddział w Polsce	0	5.11.2031	Security for the proper performance of obligations arising under rental guarantee and coverage of service charges related to the office space in the Malthouse Offices (building GH), being a part of the Warsaw Brewery complex. Rent guarantee issued in EUR.

Financial guarantees issued by Echo Investment S.A. as at 31 December 2023 [PLN '000]

Guarantor	Entity receiving the guarantee	Beneficiary	Value	Validity	Description
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	Westinvest Gesellschaft Für Investmentfonds Mbh Sp. z o.o. Oddział w Polsce	3 349	5.11.2031	Security for the proper performance of obligations arising under: (i) fit-out works agreement re. Malthouse Offices (building GH), being a part of the Warsaw Brewery complex, and (ii) rental guarantee related to the retail space in the Malthouse Offices (building GH), being a part of the Warsaw Brewery complex. Issued in EUR. Guarantee issued in EUR.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	Westinvest Gesellschaft Für Investmentfonds Mbh Sp. z o.o. Oddział w Polsce	0	5.11.2031	Security for the proper performance of obligations arising under rental guarantee and coverage of service charges related to the office space in the Malthouse Offices (building GH), being a part of the Warsaw Brewery complex. Rent guarantee issued in EUR.
Echo Investment S.A.	Fianar Investments Sp. z o.o.	Kaufland Polska Markety Sp. z o.o. Sp.j.	2 500	2.11.2036	Conditional guarantee of the payment of the contractual penalty resulting from the lease agreement for premises at Kapelanka shopping centre in Cracow.
Echo Investment S.A.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.	A 19 Sp. z o.o.	26 088	4.07.2038	Guarantee for the obligations arising from the good neighborly agreement concluded on 4.07.2018 with Midpoint 71 project. Guarantee issued in EUR.
Echo Investment S.A.	Projekt Echo - 138 Sp. z o.o. Sp.k.	Projekt Echo - 137 Sp. z o.o.	16 272	31.12.3000	Securing the payment of the price increase resulting from the sales agreement for quarter G at Towarowa 22.
PKO Bank Polski S.A.	Aquarius City Space GP Sp. z o.o. Sp.k.	Aquarius SR Sp. z o.o.	29	31.12.2023	Bank guarantee securing the liabilities under the lease agreement of 5.09.2018.
PKO Bank Polski S.A.	Aquarius City Space GP Sp. z o.o. Sp.k.	Aquarius SR Sp. z o.o.	680	31.12.2023	Bank guarantee issued securing the liabilities under the lease agreement of 5.09.2018.
Echo Investment S.A.	City Space Management Sp. z o.o.	Barcarrota Sp. z o.o.	821	31.12.2023	Bank guarantee securing the liabilities under the lease agreement.
Echo Investment S.A.	City Space Management Sp. z o.o.	Tryton Business Park Sp. z o.o.	1 211	31.12.2023	Security for the liabilities arising from the lease contract concluded on 12.06.2018. Issued in EUR.
Total			448 545		

Financial guarantees issued by Echo Investment S.A. as at 31 December 2022 [PLN '000]

Issuer	Entity receiving surety	Beneficiary	Value	Expiry date	Description
PKO BP S.A.	City Space Management Sp. z o.o. Sp.k.	Aquarius SR Sp. z o.o.	28	31.12.2023	Bank guarantee securing the liabilities under the lease agreement of 5 September 2018.
Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Portfel2 PH5 Sp. z o.o.	155	21.11.2026	Security for the proper performance of obligations arising under rental guarantee and coverage of service charges related to sale of Moje Miejsce I office building.
Echo Investment S.A.	Face2Face - Stranraer Sp. z o.o. S.K.A.	Huramitell Investments Sp. z o.o.	513	23.02.2030	Security for the proper performance of obligations arising under rental guarantee related to sale of Face2Face office buildings. Issued in EUR. The maximum amount of the liability reduces during given calendar year, as the amount of the liability that is secured by the guarantee decreases.
Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	FARKAS Grundstücks-gesellschaft mbH & Co. KG	594	30.06.2031	Corporate guarantee securing the rent guarantee related to the sale of Fuzja CDJ in Lodz (office part). Guarantee issued in EUR.
Echo Investment S.A.	Nobilis City Space GP Sp. z o.o. Sp.k.	Nobilis - Business House sp. z o.o.	612	31.10.2027	Guarantee securing liabilities resulting from the annex to leasing agreement. Issued in EUR.
PKO BP S.A.	Echo Investment S.A.	APAK Grundstücks-gesellschaft mbH & Co. KG	618	31.07.2023	Proper performance of the terms of the lease agreement, which in particular includes the payment of rent, service charges, claims for contractual penalties, payment of a guarantee deposit, possible interest. Guarantee issued in EUR.
PKO BP S.A.	City Space Management Sp. z o.o. Sp.k.	Aquarius SR Sp. z o.o.	662	31.12.2023	Bank guarantee issued securing the liabilities under the lease agreement of 5 september 2018.
PKO BP S.A.	Sagittarius - Projekt Echo 113 Sp. z o.o. Sp.k.	HiH Invest Real Estate GmbH	666	31.05.2023	Security of the liabilities arising from the rental guarantee contract. Guarantee issued in EUR.
Santander Bank Polska S.A.	Elektrownia RE Sp. z o.o.	Miasto Łódź	695	18.10.2023	Payment guarantee concerning the principles of implementing a road investment consisting in the construction of a 3KDD road designed on the section from ul. Tymienieckiego to Milionowa in Łódź.
Echo Investment S.A.	City Space Management Sp. z o.o.	Face2Face - Stranraer Sp. z o.o. S.K.A.	754	30.04.2023	Security for liabilities resulting from the lease agreement concluded on 30 September 2020. Guarantee issued in EUR.
Echo Investment S.A.	Projekt 17 - Grupa Echo Sp. z o.o. S.K.A.	Barcarrota Sp. z o.o.	785	20.01.2028	Security for the proper performance of obligations arising under rental guarantee related to the office space and coverage of service charges in the West 4 Business Hub I.
Echo Investment S.A.	City Space Management Sp. z o.o.	Barcarrota Sp. z o.o.	796	31.12.2023	Bank guarantee securing the liabilities under the lease agreement.
Echo Investment S.A.	City Space Management Sp. z o.o.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.	885	25.05.2023	Corporate guarantee securing the City Space Management lease agreement. Guarantee issued in EUR.
Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	FARKAS Grundstücks-gesellschaft mbH & Co. KG	962	30.06.2025	Corporate guarantee securing the rent guarantee related to the sale of Fuzja CDJ in Lodz (retail part). Guarantee issued in EUR.
Echo Investment S.A.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.	SER Poland Sp. z o.o.	985	21.12.2033	Unconditionally and irrevocably guarantees of full, due and punctual performance of all payment obligations under the lease agreement. Guarantee issued in EUR.

Financial guarantees issued by Echo Investment S.A. as at 31 December 2022 [PLN '000]

Issuer	Entity receiving surety	Beneficiary	Value	Expiry date	Description
Echo Investment S.A.	City Space Management Sp. z o.o.	Tryton Business Park Sp. z o.o.	1 126	31.12.2023	Security for the liabilities arising from the lease contract concluded on 12 June 2018. Guarantee issued in EUR.
Echo Investment S.A.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.	SER Poland Sp. z o.o.	1 307	30.09.2029	Corporate guarantee securing the rent guarantee related to the sale of Midpoint 71 in Wrocław. The maximum amount of liability will be successively reduced as the amount of liability secured by the guarantee decreases. Guarantee issued in EUR and PLN.
Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Portfel2 PH5 Sp. z o.o.	1 318	21.11.2026	Security for the proper performance of obligations arising under rental guarantee and coverage of service charges related to sale of Moje Miejsce I office building. Rent guarantee issued in EUR.
Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Portfel2 PH5 Sp. z o.o.	2 028	21.11.2026	Security for the proper performance of obligations arising under rental guarantee and coverage of service charges related to sale of Moje Miejsce I office building. Rent guarantee issued in EUR.
Echo Investment S.A.	Fianar Investments Sp. z o.o.	Kaufland Polska Markety Sp. z o.o. Sp.k.	2 500	2.11.2036	Conditional guarantee of the payment of the contractual penalty resulting from the lease agreement for premises at Kapelanka shopping centre in Cracow.
Echo Investment S.A.	Park Rozwoju III - Projekt Echo 112 Sp. z o.o. Sp.k.	Kaufland Polska Markety Sp. z o.o. Sp.k.	2 500	29.03.2036	Conditional guarantee of the payment of the contractual penalty resulting from the lease agreement for premises at Pasaż Opieńskiego shopping centre in Poznań.
Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Portfel2 PH5 Sp. z o.o.	3 613	21.11.2026	Security for the proper performance of obligations arising under fit-out agreement related to sale of Moje Miejsce I office building. Guarantee issued in EUR.
Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	FARKAS Grundstücksgesellschaft mbH & Co KG	3 715	30.06.2031	Corporate guarantee securing the rent guarantee and coverage of service charges related to the sale of Fuzja CDJ in Lodz (office part). Rent guarantee issued in EUR.
Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	FARKAS Grundstücksgesellschaft mbH & Co. KG	3 863	30.06.2031	Corporate guarantee securing the rent guarantee related to the sale of Fuzja CDJ in Lodz (office part). Guarantee issued in EUR.
Echo Investment S.A.	Projekt 17 - Grupa Echo Sp. z o.o. S.K.A.	Barcarrota Sp. z o.o.	5 000	20.01.2028	Security for the proper performance of obligations arising under rental guarantee related to the office space and coverage of service charges in the West 4 Business Hub I. Rent guarantee issued in EUR.
Echo Investment S.A.	Projekt 17 - Grupa Echo Sp. z o.o. S.K.A.	Barcarrota Sp. z o.o.	5 762	20.01.2028	Security for the proper performance of obligations arising under rental guarantee related to the office space and coverage of service charges in the West 4 Business Hub I. Rent guarantee issued in EUR.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	APAK Grundstücksgesellschaft mbH & Co. KG	5 929	11.03.2024	Security for the proper performance of obligations arising under rental guarantee related to the retail space in the Villa Offices (building K), being a part of the Warsaw Brewery complex. Guarantee issued in EUR.

Financial guarantees issued by Echo Investment S.A. as at 31 December 2022 [PLN '000]

Issuer	Entity receiving surety	Beneficiary	Value	Expiry date	Description
Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	PKO BP S.A.	7 973	31.12.2026	Securing the coverage of additional amounts resulting from the rental holidays of approved lease agreements to ensure the required DSCR. Guarantee issued in EUR.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	Westinvest Gesellschaft für Investmentfonds mbH	8 442	30.11.2026	Security for the proper performance of obligations arising under the sale agreement of the building Villa Schiele, being part of the Warsaw Brewery complex. Guarantee issued in EUR.
Echo Investment S.A.	Face2Face - Stranraer Sp. z o.o. S.K.A.	Huramittel Investments Sp. z o.o.	8 668	23.02.2030	Security for the proper performance of obligations arising under rental guarantee related to sale of Face2Face office buildings. Issued in EUR. The maximum amount of the liability reduces during given calendar year, as the amount of the liability that is secured by the guarantee decreases.
Echo Investment S.A.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.	SER Poland Sp. z o.o.	10 120	30.09.2029	Corporate guarantee securing the rent guarantee and coverage of service charges related to the sale of Midpoint 71 in Wrocław. The maximum amount of liability will be gradually reduced along with the decrease in the amount of liability secured by the guarantee. Rent guarantee issued in EUR.
Echo Investment S.A.	Projekt 17 - Grupa Echo Sp. z o.o. S.K.A.	Barcarrota Sp. z o.o.	12 115	20.01.2028	Security for the proper performance of obligations arising under fit-out works agreement re. West 4 Business Hub I. Guarantee issued in EUR.
Echo Investment S.A.	Grupa Echo Sp. z o.o.	IB 14 FIZAN	16 768	24.05.2024	Security for the proper performance of the obligations arising from the contract for the sale of the West Link office building in Wrocław. Guarantee issued in EUR.
Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	Fujitsu Technology Solutions Sp. z o.o.	24 835	1.12.2023	Security for the proper performance of obligations Projekt Echo 130 Sp.z o.o. as a landlord due to contractual penalties under the lease agreement of 31 January 2020. Guarantee issued in EUR.
Santander Bank Polska S.A.	Echo Investment S.A.	Miasto Stołeczne Warszawa	25 000	30.10.2023	Guarantee securing obligation to performance of the accompanying investment under the special housing act - building a primary school and transferring it to the City of Warsaw.
Echo Investment S.A.	Projekt 16 - Grupa Echo Sp. z o.o. S.K.A.	R4R Gdańsk Stocznia Sp. z o.o.	26 000	18.09.2023	Conditional guarantee securing the reimbursement of the advance paid by the buyer under the preliminary real estate sale agreement.
Echo Investment S.A.	Projekt 16 - Grupa Echo Sp. z o.o. S.K.A.	Wentel Sp. z o.o.	26 000	2.10.2023	Conditional guarantee securing the reimbursement of the advance payment made by a company from the Student Depot group under the preliminary purchase agreement of real estate in Gdańsk from the Echo Investment group.
Echo Investment S.A.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.	A 19 Sp. z o.o.	28 139	4.07.2038	Guarantee for the obligations arising from the good neighborly agreement concluded on 4 July 2018 with Midpoint 71 project. Guarantee issued in EUR.
Echo Investment S.A.	Projekt 17 - Grupa Echo Sp. z o.o. S.K.A.	Barcarrota Sp. z o.o.	33 186	31.12.2027	Security for the proper performance of obligations arising under the sale agreement of the building West 4 Business Hub I. Guarantee issued in EUR.

Financial guarantees issued by Echo Investment S.A. as at 31 December 2022 [PLN '000]

Issuer	Entity receiving surety	Beneficiary	Value	Expiry date	Description
Echo Investment S.A.	Echo - Arena Sp. o.o.	PKO BP S.A.	46 899	20.12.2024	Guarantee to ensure that the debt service ratio is maintained. Guarantee issued in EUR.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	LUX Europa III S.a.r.l.	51 589	3.03.2027	Security for the proper performance of the liabilities arising from the sale contract of the Gatehouse Offices building being part of the Warsaw Brewery complex. Guarantee issued in EUR.
Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Portfel2 PH5 Sp. z o.o.	52 399	21.11.2023	Security for the proper performance of obligations arising under the sale agreement of Moje Miejsce I office building. Guarantee issued in EUR.
Echo Investment S.A.	Face2Face - Stranraer Sp. z o.o. S.K.A.	Huramitell Investments Sp. z o.o.	104 796	23.02.2029	Security for the proper performance of obligations arising under the sale agreement of Face2Face office buildings. Guarantee issued in EUR.
Total			531 300		

Performance and other guarantees issued by Echo Investment S.A. as at 31 December 2023 [PLN '000]

Guarantor	Entity receiving the guarantee	Beneficiary	Value	Validity	Description
Sopockie Towarzystwo Ubezpieczeń ERGO Hestia S.A	Projekt Echo - 138 Sp. z o.o. Sp.k.	Veolia Energia Warszawa S.A.	3 500	27.05.2024	Securing liabilities resulting from the lease agreement of the Heat Pipeline Transfer Agreement, Warsaw, Towarowa 22.
Echo Investment S.A.	Echo-Arena sp. z o.o.	PKO Bank Polski S.A.	49 598	20.12.2024	Securing the coverage of project cost overruns.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	LUX Europa III S.à r.l.	95 396	31.12.2024	Security for the proper performance arising from the sale contract of the Gatehouse Offices building being part of the Warsaw Brewery complex. Guarantee issued in EUR.
Generali Towarzystwo Ubezpieczeń S.A.	Echo Investment S.A.	Miasto stołeczne Warszawa	2 925	31.12.2025	Guarantee of proper performance of the 2KDD road contract.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	Westinvest Gesellschaft Für Investmentfonds Mbh Sp. z o.o. Oddział w Polsce	169 072	5.08.2026	Security for the proper performance of obligations arising under the sale agreement of the Malthouse Offices (building GH) being part of the Warsaw Brewery complex. Guarantee issued in EUR.
Sopockie Towarzystwo Ubezpieczeń ERGO Hestia S.A	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Portfel2 PH5 Sp. z o.o.	6 232	6.10.2026	Securing the proper performance of obligations arising from the quality guarantee agreement, related to the sale of Moje Miejsce I office building.
Echo Investment S.A.	Echo Investment S.A.	Nobilis - Business House sp. z o.o.	40 000	31.10.2026	Quality guarantee for construction work related to the Nobilis office building in Wrocław.
Echo Investment S.A.	Opolska Business Park Sp. z o.o. Sp.k.	EPP Office O3 Business Campus Sp. z o.o.	39 674	21.12.2026	Corporate guarantee regarding monetary obligations arising from the construction guarantee. Guarantee issued in EUR.
Echo Investment S.A.	Symetris - Grupa Echo Sp. o.o. Sp.k.	EPP Office - Symetris Business Park Sp. z o.o.	17 703	21.12.2026	Corporate guarantee regarding monetary obligations arising from the construction guarantee. Guarantee issued in EUR.
Echo Investment S.A.	Projekt Echo 135 Sp. z o.o.	A4 Business Park Sp. z o.o.	23 914	26.04.2027	Construction guarantee related to the sale of the A4 Business Park III office building in Katowice. The guarantee is secured by a corporate guarantee issued by Echo Investment S.A. Guarantee issued in EUR.
Echo Investment S.A.	Opolska Business Park Sp. z o.o. Sp.k.	EPP Office O3 Business Campus Sp. z o.o.	37 827	21.12.2027	Construction guarantee related to the sale of the O3 Business Campus II office building in Kraków. The guarantee is secured by a corporate guarantee issued by Echo Investment S.A. Guarantee issued in EUR.
Echo Investment S.A.	Opolska Business Park Sp. z o.o. Sp.k.	EPP Office O3 Business Campus III Sp. z o.o.	35 074	9.08.2028	Construction guarantee related to the sale of the O3 Business Campus III office building in Kraków. The guarantee is secured by a corporate guarantee issued by Echo Investment S.A. Guarantee issued in EUR.
Echo Investment S.A.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.	SER Poland Sp. z o.o.	90 319	31.03.2030	Corporate guarantee securing the sale agreement of Midpoint 71 in Wrocław. Issued in EUR.
Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Portfel2 PH5 Sp. z o.o.	124 643	28.05.2030	Security for the proper performance of obligations arising from the quality guarantee agreement, related to sale of Moje Miejsce I office building.

Performance and other guarantees issued by Echo Investment S.A. as at 31 December 2023 [PLN '000]

Guarantor	Entity receiving the guarantee	Beneficiary	Value	Validity	Description
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	LUX Europa III S.à r.l.	163 550	30.06.2030	Security for the proper performance liabilities arising from the quality guarantee agreement related to sale agreement of the Gatehouse Office building in the Warsaw Brewery complex.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	Westinvest Gesellschaft Für Investmentfonds Mbh Sp. z o.o. Oddział w Polsce	200 486	5.08.2031	Security for the proper performance of obligations arising under quality guarantee agreement regarding to the Malthouse Offices (building GH), being part of the Warsaw Brewery complex.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	Westinvest Gesellschaft Für Investmentfonds Mbh Sp. z o.o. Oddział w Polsce	9 159	30.11.2031	Security for the proper performance of obligations arising under quality guarantee agreement regarding to the sale of Schiele Willa building, being part of the Warsaw Brewery complex.
Echo Investment S.A.	Projekt 17 - Grupa Echo Sp. z o.o. S.K.A.	Barcarrota Sp. z o.o.	82 498	20.01.2032	Security for the proper performance of obligations arising under quality guarantee agreement regarding building West 4 Business Hub I.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	APAK Grundstücksgesellschaft mbH & Co. KG	96 611	11.03.2032	Security for the proper performance of obligations arising under quality guarantee agreement regarding to the Villa Offices (building K), being part of the Warsaw Brewery complex.
Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Tal Poland Sp. z o.o.	90 353	30.03.2032	Security for the proper performance of obligations arising under quality guarantee agreement regarding to My Place II office building. The maximum amount of the liability reduces, as the amount of the liability that is secured by the guarantee decreases.
Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	FARKAS Grundstücksgesellschaft mbH & Co. KG	30 864	30.06.2032	Security for the proper performance of obligations arising under fit-out agreement related to sale of Fuzja CDJ office buildings. Guarantee issued in EUR.
Echo Investment S.A.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.	SER Poland Sp. z o.o.	179 242	30.09.2032	Corporate guarantee securing the quality guarantee related to the sale of Midpoint 71 in Wrocław.
Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	FARKAS Grundstücksgesellschaft mbH & Co. KG	103 221	30.06.2033	Security for the proper performance of obligations arising under quality guarantee agreement related to sale of Fuzja CD office buildings.
Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	FARKAS Grundstücksgesellschaft mbH & Co. KG	9 717	30.06.2033	Security for the proper performance of obligations arising under quality guarantee agreement related to sale of Fuzja J office building.
Echo Investment S.A.	Face2Face - Stranraer Sp. z o.o. S.K.A.	Huramitell Investments Sp. z o.o.	302 747	22.10.2033	Security for the proper performance of obligations arising under quality guarantee agreement related to sale of Face2Face office buildings. Issued in PLN. The maximum amount of the liability reduces as follows: from 22 December 2025, the Total Limit will be reduced to PLN 201,409,247.00; from 22 December 2026, the Total Limit will be reduced to PLN 123,224,353.00; from 22 December 2028, the Total Limit will be reduced to PLN 98,760,259.00; from 22 December 2030, the Total Limit will be reduced to PLN 78,663,658.00

Performance and other guarantees issued by Echo Investment S.A. as at 31 December 2023 [PLN '000]

Guarantor	Entity receiving the guarantee	Beneficiary	Value	Validity	Description
Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	FARKAS Grundstücks-gesellschaft mbH & Co. KG	28 038	31.12.2023	Security for the proper performance arising from the sale contract of the Fuzja CDJ buildings being part of the Fuzja complex. Guarantee issued in EUR.
Total			2 032 362		
Total financial, performance and other guarantees			2 480 907		

Performance and other guarantees issued by Echo Investment S.A. as at 31 December 2022 [PLN '000]

Guarantor	Issuer	Beneficiary	Value	Expiry date	Description
Echo Investment S.A.	Projekt 12 - Grupa Echo Sp. z o.o. S.K.A.	Tesco (Polska) Sp. z o.o.	0	30.06.2025	Corporate guarantee securing performance of obligations regarding priority to lease space in the new shopping center, resulting from the preliminary sales contract of real estate concluded on 30 July 2019. Due to business and legal arrangements, the warranty has no upper limit potential liability.
Santander Bank Polska S.A.	Galeria Libero - Projekt Echo 120 Sp. z o.o. Sp.k.	Miasto Katowice	758	10.05.2023	Security under the warranty and quality guarantee for the obligations arising from the contract concluded on 16 June 2016 on the implementation of a road investment.
Generali Towarzystwo Ubezpieczeń S.A.	Echo Investment S.A.	Miasto Stołeczne Warszawa	2 925	31.12.2025	Guarantee of proper performance of the 2KDD road contract.
Sopockie Towarzystwo Ubezpieczeń ERGO Hestia S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Portfel2 PH5 sp. z o.o.	6 232	6.10.2026	Securing the proper performance of obligations arising from the quality guarantee agreement, related to the sale of Moje Miejsce I office building.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	Westinvest Gesellschaft für Investmentfonds mbH Sp. z o.o.	9 159	30.11.2031	Security for the proper performance of obligations arising under quality guarantee agreement regarding to the sale of Schiele Willa building, being part of the Warsaw Brewery complex.
Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	FARKAS Grundstücks-gesellschaft mbH & Co. KG	9 717	30.06.2033	Security for the proper performance of obligations arising under quality guarantee agreement related to sale of Fuzja J office building.
Echo Investment S.A.	Symetris - Grupa Echo Sp. z o.o.	EPP Office — Symetris Business Park Sp. z o.o.	17 905	31.08.2023	Construction guarantee related to the sale of the office building Symetris II in Łódź. Guarantee issued in EUR.
Echo Investment S.A.	Symetris - Grupa Echo Sp. z o.o.	EPP Office — Symetris Business Park Sp. z o.o.	19 095	21.12.2026	Corporate guarantee regarding monetary obligations arising from the construction guarantee. Guarantee issued in EUR.
Echo Investment S.A.	Projekt Echo 135 Sp. z o.o. Sp.k.	A4 Business Park Sp. z o.o.	25 795	26.04.2027	Construction guarantee related to the sale of the A4 Business Park III office building in Katowice. The guarantee is secured by a corporate guarantee issued by Echo Investment S.A. Guarantee issued in EUR.
Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	FARKAS Grundstücks-gesellschaft mbH & Co. KG	30 242	31.12.2023	Security for the proper performance arising from the sale contract of the Fuzja CDJ buildings being part of the Fuzja complex. Guarantee issued in EUR.
Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	FARKAS Grundstücks-gesellschaft mbH & Co. KG	33 291	30.06.2032	Security for the proper performance of obligations arising under fit-out agreement related to sale of Fuzja CDJ office buildings. Guarantee issued in EUR.
Echo Investment S.A.	Echo - Opolska Business Park Sp. z o.o. Sp.k.	EPP Office - O3 Business Campus Sp. z o.o.	37 832	9.08.2028	Construction guarantee related to the sale of the O3 Business Campus III office building in Kraków. The guarantee is secured by a corporate guarantee issued by Echo Investment S.A. Guarantee issued in EUR.
Echo Investment S.A.	Echo Investment S.A.	Nobilis - Projekt Echo 117 Sp. z o.o. Sp.k.	40 000	31.10.2026	Quality guarantee for construction work related to the Nobilis office building in Wrocław.

Performance and other guarantees issued by Echo Investment S.A. as at 31 December 2022 [PLN '000]

Guarantor	Issuer	Beneficiary	Value	Expiry date	Description
Echo Investment S.A.	Echo - Opolska Business Park Sp. z o.o. Sp.k.	EPP Office - O3 Business Campus Sp. z o.o.	40 801	21.12.2027	Construction guarantee related to the sale of the O3 Business Campus II office building in Kraków. The guarantee is secured by a corporate guarantee issued by Echo Investment S.A. Guarantee issued in EUR.
Echo Investment S.A.	Echo - Opolska Business Park Sp. z o.o. Sp.k.	EPP Office - O3 Business Campus Sp. z o.o.	42 793	21.12.2026	Corporate guarantee regarding monetary obligations arising from the construction guarantee. Guarantee issued in EUR.
Echo Investment S.A.	ZAM - Projekt Echo 127 Sp. z o.o. Sp.k.	Tryton Business Park Sp. z o.o.	44 639	21.12.2026	Corporate guarantee regarding monetary obligations under the construction guarantee. Guarantee issued in EUR.
Echo Investment S.A.	Echo - Arena Sp. o.o.	PKO BP S.A.	49 598	20.12.2024	Securing the coverage of project cost overruns.
Echo Investment S.A.	Projekt 17 - Grupa Echo Sp. z o.o. S.K.A.	Barcarrota Sp. z o.o.	82 498	20.01.2032	Security for the proper performance of obligations arising under quality guarantee agreement regarding building West 4 Business Hub I.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	APAK Grundstücks-gesellschaft mbH & Co. KG	96 611	11.03.2032	Security for the proper performance of obligations arising under quality guarantee agreement regarding to the Villa Offices (building K), being part of the Warsaw Brewery complex.
Echo Investment S.A.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.	SER Poland Sp. z o.o.	97 422	31.03.2030	Corporate guarantee securing the sale agreement of Midpoint 71 in Wroclaw. Guarantee issued in EUR.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	LUX Europa III S.a.r.l.	102 897	31.12.2024	Security for the proper performance arising from the sale contract of the Gatehouse Offices building being part of the Warsaw Brewery complex. Guarantee issued in EUR.
Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	FARKAS Grundstücks-gesellschaft mbH & Co. KG	103 221	30.06.2033	Security for the proper performance of obligations arising under quality guarantee agreement related to sale of Fuzja CD office buildings.
Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Portfel2 PH5 sp. z o.o.	124 643	28.05.2030	Security for the proper performance of obligations arising from the quality guarantee agreement, related to sale of Moje Miejsce I office building.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	LUX Europa III S.a.r.l.	163 550	30.06.2030	Security for the proper performance liabilities arising from the quality guarantee agreement related to sale agreement of the Gatehouse Office building in the Warsaw Brewery complex.
Echo Investment S.A.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.	SER Poland Sp. z o.o.	179 242	30.09.2032	Corporate guarantee securing the quality guarantee related to the sale of Midpoint 71 in Wroclaw.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	Westinvest Gesellschaft für Investmentfonds mbH Sp. z o.o.	182 367	5.08.2026	Security for the proper performance of obligations arising under the sale agreement of the Malthouse Offices (building GH) being part of the Warsaw Brewery complex. Guarantee issued in EUR.
Echo Investment S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	Westinvest Gesellschaft für Investmentfonds mbH Sp. z o.o.	200 486	5.08.2031	Security for the proper performance of obligations arising under quality guarantee agreement regarding to the Malthouse Offices (building GH), being part of the Warsaw Brewery complex.

Performance and other guarantees issued by Echo Investment S.A. as at 31 December 2022 [PLN '000]

Guarantor	Issuer	Beneficiary	Value	Expiry date	Description
Echo Investment S.A.	Face2Face - Stranraer Sp. z o.o. S.K.A.	Huramitell Investments Sp. z o.o.	302 747	22.10.2033	Security for the proper performance of obligations arising under quality guarantee agreement related to sale of Face2Face office buildings. The maximum amount of the liability reduces as follows.
Total			2 046 467		
Total financial, performance and other guarantees issued by Echo Investment S.A. as at 31 December 2022 [PLN '000]			2 577 764		

Changes in guarantee agreements issued by Echo Investment S.A. in 2023 [PLN '000]

Change	Guarantor	Entity receiving the guarantee	Beneficiary	Value	Validity	Description
Expiry	Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	PKO Bank Polski S.A.	7 957	31.03.2023	Securing the coverage of additional amounts resulting from the rental holidays of approved lease agreements to ensure the required DSCR. Guarantee issued in EUR.
Expiry	Echo Investment S.A.	Projekt 16 - Grupa Echo Sp. z o.o. S.K.A.	Westinvest Gesellschaft Für Investmentfonds Mbh Sp. z o.o. Oddział w Polsce	26 000	31.03.2023	Conditional guarantee securing the reimbursement of the advance payment made by a company from the Student Depot group under the preliminary purchase agreement of real estate in Gdańsk from the Echo Investment group.
Expiry	Echo Investment S.A.	Projekt 16 - Grupa Echo Sp. z o.o. S.K.A.	R4R Gdańsk Stocznia Sp. z o.o.	26 000	13.04.2023	Conditional guarantee securing the reimbursement of the advance paid by the buyer under the preliminary real estate sale agreement.
Expiry	Santander Bank Polska S.A. Trade, Finance and Credit Centre. Guarantee Service Team	Galeria Libero - Projekt Echo 120 Sp. z o.o. Sp.k.	Miasto Katowice	758	10.05.2023	The previous guarantee for this contract expired on 25 January 2022
Expiry	PKO BP S.A.	Sagittarius - Grupa Echo Sp. o.o. Sp.k.	HIH Invest Real Estate iGMBH	665	31.05.2023	Security of the liabilities arising from the rental guarantee contract. Guarantee issued in EUR.
Expiry	Bank Pekao S.A.	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	APAK Grundstücksgesellschaft mbH & Co. KG	617	31.07.2023	Proper performance of the terms of the lease agreement, which in particular includes the payment of rent, service charges, claims for contractual penalties, payment of a guarantee deposit, possible interest. Guarantee issued in EUR.
Expiry	Santander Bank Polska S.A. Trade, Finance and Credit Centre. Guarantee Service Team	Elektrownia RE Sp. z o.o.	Miasto Łódź	796	18.10.2023	Payment guarantee concerning the principles of implementing a road investment consisting in the construction of a 3KDD road designed on the section from ul. Tymienieckiego to Milionowa in Łódź.
Expiry	Santander Bank Polska S.A. Trade, Finance and Credit Centre. Guarantee Service Team	Elektrownia RE Sp. z o.o.	Miasto Łódź	695	18.10.2023	Payment guarantee concerning the principles of implementing a road investment consisting in the construction of a 3KDD road designed on the section from ul. Tymienieckiego to Milionowa in Łódź.
Expiry	Santander Bank Polska S.A. Trade, Finance and Credit Centre. Guarantee Service Team	Echo Investment S.A.	Miasto Stołeczne Warszawa	25 000	30.10.2023	Guarantee securing obligation to performance of the accompanying investment under the special housing act - building a primary school and transferring it to the City of Warsaw.
Expiry	Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Portfel2 PH5 Sp. z o.o.	52 295	21.11.2023	Security for the proper performance of obligations arising under the sale agreement of Moje Miejsce I office building. Guarantee issued in EUR.
Expiry	Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	Fujitsu Technology Solutions Sp. z o.o.	24 786	1.12.2023	Security for the proper performance of obligations Projekt Echo 130 Sp.z o.o. as a landlord due to contractual penalties under the lease agreement of 31.01.2020. Guarantee issued in EUR.
Expiry	PKO Bank Polski S.A.	Aquarius City Space GP Sp. z o.o. Sp.k.	Aquarius SR Sp. z o.o.	29	31.12.2023	Bank guarantee securing the liabilities under the lease agreement of 5.09.2018.

Changes in guarantee agreements issued by Echo Investment S.A. in 2023 [PLN '000]

Change	Guarantor	Entity receiving the guarantee	Beneficiary	Value	Validity	Description
Expiry	PKO Bank Polski S.A.	Aquarius City Space GP Sp. z o.o. Sp.k.	Aquarius SR Sp. z o.o.	680	31.12.2023	Bank guarantee issued securing the liabilities under the lease agreement of 5.09.2018.
Expiry	Echo Investment S.A.	City Space Management Sp. z o.o.	Barcarrota Sp. z o.o.	821	31.12.2023	Bank guarantee securing the liabilities under the lease agreement.
Expiry	Echo Investment S.A.	City Space Management Sp. z o.o.	Tryton Business Park Sp. z o.o.	1 211	31.12.2023	Security for the liabilities arising from the lease contract concluded on 12.06.2018. Issued in EUR.
Expiry	Echo Investment S.A.	Projekt Echo 130 Sp. z o.o.	FARKAS Grundstücksgesellschaft mbH & Co. KG	28 038	31.12.2023	Security for the proper performance arising from the sale contract of the Fuzja CDJ buildings being part of the Fuzja complex. Guarantee issued in EUR.
Extension	Echo Investment S.A.	Park Rozwoju III - Grupa Echo Sp. z o.o. Sp.k.	Kaufland Polska Markety Sp. z o.o. Sp.k.	2 500	29.03.2036	Conditional guarantee of the payment of the contractual penalty resulting from the lease agreement for premises at Pasaż Opieńskiego shopping centre in Poznań.
Extension	Echo Investment S.A.	City Space Management Sp. z o.o.	Huramitell Investments Sp. z o.o.	822	30.04.2024	Security for liabilities resulting from the lease agreement concluded on 30.09.2020. Guarantee issued in EUR.
Extension	Santander Bank Polska S.A. Trade, Finance and Credit Centre, Guarantee Service Team	Echo Investment S.A.	Miasto Stołeczne Warszawa	25 000	30.10.2024	Guarantee securing obligation to performance of the accompanying investment under the special housing act - building a primary school and transferring it to the City of Warsaw.
Extension	Echo Investment S.A.	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.	SER Poland Sp. z o.o.	1 044	31.12.2024	Unconditionally and irrevocably guarantees of full, due and punctual performance of all payment obligations under the lease agreement. Guarantee issued in EUR.
Extension	Echo Investment S.A.	Symetris - Grupa Echo Sp. o.o. Sp.k.	EPP Office - Symetris Business Park Sp. o.o.	17 703	21.12.2026	Construction guarantee related to the sale of the office building Symetris II in Łódź. Guarantee issued in EUR.
Issue	Sopockie Towarzystwo Ubezpieczeń ERGO Hestia S.A	Projekt Echo - 138 Sp. z o.o. Sp.k.	Veolia Energia Warszawa S.A.	3 500	27.05.2024	Securing liabilities resulting from the lease agreement of the Heat Pipeline Transfer Agreement, Warszawa, ul. Towarowa 22.
Issue	PKO Bank Polski S.A International Banking and Trade Finance Department. Trade Finance Office. Guarantee Team	Echo Investment S.A.	APAK Grundstücksgesellschaft mbH & Co. KG	674	10.08.2024	Guarantee of proper performance of the terms of the Lease Agreement, which in particular includes the payment of rent, service charges, claims for payment of contractual penalties, payment of a guarantee deposit, possible interest to the space lease agreement
Issue	Echo Investment S.A.	R4R Warszawa Opaczewska S.o. z o.o.	Blue Parking Sp. z o.o.	45 130	20.01.2025	Guarantee for the fulfillment of obligations under the preliminary agreement for the purchase of real estate at ul. Opaczewska.
Issue	Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Tal Poland Sp. z o.o.	170	4.08.2026	Security for the proper performance of obligations arising under rental guarantee related to the office space in the My Place II office building. Issued in EUR and PLN. The maximum amount of the liability reduces, as the amount of the liability that is secured by the guarantee decreases.

Changes in guarantee agreements issued by Echo Investment S.A. in 2023 [PLN '000]

Change	Guarantor	Entity receiving the guarantee	Beneficiary	Value	Validity	Description
Issue	Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Tal Poland Sp. z o.o.	1 118	4.08.2026	Security for the proper performance of obligations arising under rental guarantee related to the office space in the My Place II office building. Issued in EUR and PLN. The maximum amount of the liability reduces, as the amount of the liability that is secured by the guarantee decreases.
Issue	Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Tal Poland Sp. z o.o.	37 433	30.04.2029	Security for the proper performance of obligations arising under the sale agreement of the My Place II office building. Issued in EUR.
Issue	Echo Investment S.A.	Rondo 1 City Space - GP Sp. z o.o. Sp.k.	RONDO 1 UG (haftungsbeschränkt) & Co. KG.	1 903	1.03.2031	Corporate guarantee granted to secure obligations arising from the lease agreement of 24 May 24 2015 regarding the lease of the office at Rondo 1.
Issue	Echo Investment S.A.	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	Tal Poland Sp. z o.o.	90 353	30.03.2032	Security for the proper performance of obligations arising under quality guarantee agreement regarding to My Place II office building. The maximum amount of the liability reduces, as the amount of the liability that is secured by the guarantee decreases.
Issue	Echo Investment S.A.	Projekt Echo - 138 Sp. z o.o. Sp.k.	Projekt Echo - 137 Sp. z o.o.	16 272	31.12.3000	Securing the payment of the price increase resulting from the sales agreement for quarter G at Towarowa 22.

Explanatory notes to standalone profit and loss account

NOTE 16A

Operating income material structure - types of activity [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Revenues due to contracts with clients	123 365	338 055
Sale of residential and commercial space	3 341	21 655
Development services	73 545	75 724
including from related entities	64 701	75 724
from subsidiaries	29 220	51 028
from joint-ventures	35 481	24 696
Sale of plots of land	41	169 289
including from related entities	-	169 289
from subsidiaries	-	169 289
Legal, accounting, consulting and IT services	1 720	2 156
including from related entities	1 247	2 156
from subsidiaries	1 200	2 156
from joint-ventures	47	-
Financial, marketing, security services and other revenue	44 718	69 231
including from related entities	34 008	59 909
from subsidiaries	32 953	58 095
from joint-ventures	1 055	1 814
Revenues due to lease contracts	9 383	15 680
Lease services	9 383	15 680
including from related entities	614	1 130
from subsidiaries	614	1 130
Total operating income	132 748	353 735
including from related entities	100 570	308 208
from subsidiaries	63 987	281 698
from joint-ventures	36 583	26 510

The company did not conclude any agreements with related entities on terms other than market conditions. Agreements regarding significant transactions with related entities imple-

mented in 2023 were presented by the Company in additional explanations.

NOTE 16B

Disclosures regarding the main groups of revenues are presented below, which will enable users of financial statements to become familiar with the nature, amounts, timing of receipt and uncertainties related to revenues and cash flows resulting from concluded contracts.

Revenues related to development activities - sale of residential and commercial space

The Company recognizes revenue when the performance obligation is satisfied. The obligation to perform the service is deemed fulfilled at the moment of handing over the property to the buyer, which takes place on the basis of an acceptance protocol signed by the parties, only after the completion of the construction process of the prop-

erty and receipt of the occupancy permit, and provided that the buyer makes 100% of the payment towards the purchase price. real estate. Agreements concluded within this income group do not contain an element of variable remuneration. Moreover, in the Company's opinion, the concluded agreements do not contain a significant financing element. Due to such characteristics of contracts, the Company, as a rule, does not disclose receivables or other asset balances under contracts related to this group of revenues. Contract liabilities reflect short-term advance payments made by customers. The table below presents changes in the balance of contract liabilities in relation to this group of revenues.

Short-term advance payments received [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Short-term advances received - state at the beginning of the period	5	13 671
Increases — payments	22 539	7 989
Recognized as revenue in the period	(2 656)	(21 655)
- including revenues recognized in the period, included in the balance of advances received at the beginning of the period	(5)	(13 671)
Short-term advances received - status at the end of the period	19 888	5

The total value of revenues to be recognized in the future related to obligations to perform the contract for the sale of residential and commercial space resulting from contracts signed as at the balance sheet date of December 31, 2023 is PLN 587,186 thousand, of which by the balance sheet date the Company received advance payments in

the amount of PLN 19,888 thousand. These revenues will be recognized when the properties are handed over to buyers, after construction is completed and the necessary administrative decisions are obtained, which occurs on average approximately 1 to 3 months after completion of construction.

Revenue related to development services as at 31 December 2023 [PLN '000]

Project	Targeted completion	Total value deferred revenue related to liabilities resulting from concluded agreements	The total value of revenues to be recognized in the future related to the concluded obligations to perform the contract	Received advanced payments
Nowa Dzielnica, Łódź	completed	30 247	934	-
Apartamenty Esencja, Poznań	completed	117 182	121	-
Empark, Warszawa	under development	586 131	586 131	19 888
Total		733 560	587 186	19 888

Revenue related to development services as at 31 December 2022 [PLN '000]

Project	Targeted completion	Total value deferred revenue related to liabilities resulting from concluded agreements	The total value of revenues to be recognized in the future related to the concluded obligations to perform the contract	Received advanced payments
Osiedle Bonarka Living I, Kraków	completed	69 371	-	-
Osiedle Jarzębinowe VIII, Łódź	completed	40 729	-	-
Nowa Dzielnica, Łódź	completed	30 249	941	-
Grota - Roweckiego 111 etap III	completed	16 215	-	-
Nasze Jeżyce, Poznań	completed	57 997	66	-
Nasze Jeżyce II, Poznań	completed	64 554	25	-
Apartamenty Esencja, Poznań	completed	116 937	2 558	-
Ogrody Graua, Wrocław	completed	44 750	35	-
other projects		11	11	5
Total		440 813	3 636	5

Revenues from investment implementation services

As part of development services, the Company provides services in the preparation and organization of the investment process in relation to development projects owned by other entities, mostly subsidiaries. As part of its duties, the Company undertakes advisory, management, legal and other activities necessary to manage the implementation of the investment. This process includes investment preparation, organization and handling of tenders for construction works, supervision and coordination of construction works, and customer service. The Company recognizes revenue when the obligation to perform the service is fulfilled, i.e. during the period of provision of services. The remuneration resulting from the concluded contracts is fixed and due to the Company monthly. Moreover, in the Company's opinion, the concluded agreements do not contain a significant financing element. Due to this nature

of the signed contracts, there are no significant balances of assets or liabilities under the contracts, apart from trade receivables (see note 9).

Other revenues generated by the Company

The Management Board analyzed other contracts for the provision of services, including real estate agency services, accounting, legal, consulting, IT, financial, marketing and other services, most of which are provided to related entities as part of the holding activities of Echo Investment S.A. The Company recognizes revenues when the obligation to perform the service is fulfilled, i.e. for certain contracts - at the moment of completion of a given type of service (e.g. signing a real estate sales contract as a result of providing real estate agency services) or during the period of provision of a given type of service (e.g. during

the period of providing accounting, marketing, consulting, legal or real estate management services). In most cases, services are provided on a monthly basis and this is how the Company's remuneration is settled. For some contracts (e.g. real estate agency), the remuneration resulting from the concluded contracts contains a variable element, however, the nature of these contracts shows that the Company is entitled to remuneration only at the moment

of fulfilling the contractual obligation, which results in the fact that the variable remuneration is known at the time of recognition of revenue, and its value does not change thereafter. Moreover, in the Company's opinion, the concluded agreements do not contain a significant financing element. Due to this nature of the signed contracts, there are no significant balances of assets or liabilities under the contracts, apart from trade receivables (see note 10).

NOTE 16C

Operating revenue - territorial structure [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Domestic	132 748	353 735
including from related entities	100 570	308 208
Abroad	-	-
including from related entities	-	-
Total net revenue from sale of products	132 748	353 735
including from related entities	100 570	308 208

NOTE 16D

Operating income - subleasing [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Lease services	6 935	5 849
Total	6 935	5 849

NOTE 17A

Operating expenses by type [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Amortization	8 112	10 024
Consumption of materials and energy	3 261	6 491
Third party services:	129 920	106 217
Construction	53 859	20 105
Advisory	21 484	25 563
Leasing	7 629	11 491
Cost of sales	1 634	4 275
Taxes and charges	5 837	5 339
Remuneration	44 656	56 394
Social security and other benefits	8 173	11 174
Other costs by type (due to), including:	9 993	7 688
business travel	-	1 109
other	9 993	6 579
Total	209 952	203 327
Movement in inventory of products	(13 339)	149 487
Production costs of products for own needs (negative value)	-	-
Administrative expenses related to projects*	(15 562)	(22 844)
Selling expenses (negative value)*	(12 539)	(18 698)
General administrative expenses (negative value)*	(94 284)	(73 599)
Manufacturing cost of products sold	74 228	237 673

* In selling and general administrative costs, the Company reports employee benefit costs and depreciation.

NOTE 18A

Other operating revenue [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Released provisions	1 355	-
for expected costs	1 355	-
Other, including:	26	8 284
contractual penalties and compensation	-	-
profit from sale of debt	-	94
revenue from sale of non-financial non-current assets	26	8 190
other	-	-
Interest on borrowings and bonds	47 115	84 016
from related entities, including:	47 115	83 984
from subsidiaries	47 115	70 391
from joint-ventures	-	13 593
Depreciation	2 073	6 399
on loans and bonds	2 073	6 399
Other interests	1 589	523
from other entities	1 589	523
Profit from the sale of shares	469	6 612
Other operating revenue - total	52 627	105 834

NOTE 18B

Other operating income from dividends and profit shares [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
From related entities including	178 024	177 982
from subsidiaries	178 024	177 982
Total	178 024	177 982

NOTE 18C

Other operating expenses [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Provisions established	1 130	4 525
due to expected costs	-	4 073
due to receivables	1 130	452
Other, including:	8 326	1 917
donations	380	1 207
cost of note proceedings sale	1 403	-
contractual penalties	7	83
other	6 536	627
Investment value update, including:	-	24 148
shares	-	24 148
Other operating expenses in total	9 456	30 590

After reviewing receivables on account of loans and bonds, on the basis of the forecasted and current results and cash flows of the borrowers, the Company estimated the amount of revaluation write-downs on particular loans

and bonds. As at 31 December 2021, the value of impairment losses amounted PLN 25 million, and as at 31 December 2022 amounted PLN 23,2 million.

NOTE 19A

OTHER FINANCIAL INCOME [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Revaluation of loans, credits and bonds	-	-
Other	226	740
Total	226	740

NOTE 19B

Financial costs of interest [PLN' 000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Interests and depreciation of loans, borrowings and bonds		
- for subsidiaries	12 796	13 123
- for other entities	127 450	133 011
	140 246	146 134
Other interest		
for other entities	30	7
	30	7
On lease		
for other entities	4 504	3 930
	4 504	3 930
Total financial costs on interests	144 780	150 071

As at December 31, 2022, no external financing costs were capitalized and as at December 31, 2023, the amount of external financing costs capitalized to the value

of inventories was PLN 3,254 thousand (capitalization rate 2.07%).

NOTE 19C

Other financial costs [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Other, including	10 518	9 898
commissions	9 103	9 898
other	1 415	-
Total	10 518	9 898

NOTE 20A

Financial income from interest [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Loss on closing - FX options	16 555	7 268
IRS	16 555	7 268
Depreciation of investments	(1 983)	(577)
IRS	(1 983)	(577)
Total	14 572	6 691

NOTE 20B

Other financial costs [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Foreign exchange losses	24 925	(1 906)
executed	4 807	54
non-executed	20 118	(1 960)
Total	24 925	(1 906)

NOTE 21A

Income tax - effective tax rate [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Profit before tax	41 755	99 712
Income tax according to the national rates 19%	7 934	18 945
Dividends received	(27 796)	(24 605)
Distribution of profit from limited partnerships (Sp.k.)	(6 029)	(9 212)
Tax loss	(1 078)	-
Representation costs and other non-deductible costs during the year	19 956	14 494
Provision for expected cost	(504)	774
Measurement of interests of a subsidiary representing a permanent difference	(89)	4 588
Write-downs on loans granted due to which deferred tax was not recognised	(17)	(869)
Adjustment from previous years recognized in the result (current year)	(863)	(4 611)
Movements in the measurement of other items	(13)	(4)
Charges on the financial result due to income tax	(8 499)	(500)

NOTE 21B

Deferred income tax, term of settlement [PLN '000]

	31.12.2023	31.12.2022
Deferred income tax liabilities		
to be settled within 12 months	(6 946)	(20 322)
to be settled after 12 months	(3 629)	218
Deferred income tax asset		
to be settled within 12 months	-	-
to be settled after 12 months	5 948	7 709
Total	(4 627)	(12 396)

Deferred income tax [PLN '000]

	31.12.2023	31.12.2022
Deferred income tax provision (-)		
financial instruments	(1 784)	(2 161)
loan receivables	(20 986)	(23 092)
loan liabilities	(513)	-
loan and bond liabilities	(2 357)	-
leasing - asset	(11 976)	(11 156)
leasing - liability	-	-
other	(1 346)	(2 866)
Deferred income tax asset (+)		
investment properties	513	513
loan liabilities	-	1 932
loan and bond liabilities	-	1 932
tax loss	15 897	3 420
inventory	3 362	4 667
interests and shares	1 636	1 636
leasing - liability	12 927	12 779
other	-	-
Total	(4 627)	(12 396)
financial instruments	(1 784)	(2 161)
investment properties	513	513
loan receivables	(20 986)	(23 092)
loan liabilities	(513)	1 932
loan and bond liabilities	(2 357)	1 932
tax loss	15 897	3 420
inventory	3 362	4 667
interests and shares	1 636	1 636
leasing - asset	(11 976)	(11 156)
leasing - liability	12 927	12 779
other	(1 346)	(2 866)

NOTE 21D

Tax burden included in profit or loss [PLN '000]

	31.12.2023	31.12.2022
Current income tax		
current tax burden due to income tax	486	3 554
adjustments relative to current income tax result from previous years	(745)	226
Deferred income tax		
related to arises and changes of temporary differences	(8 240)	(4 280)
Total	(8 499)	(500)

NOTE 22

Profit distribution

The net profit generated by Echo Investment S. A. in 2023, amounting to PLN 100,212 thousand, was, by resolution of June 29, 2023, partially allocated to be divided among the Company's shareholders in the amount of PLN 90,792 thousand. PLN and partially allocated to the Dividend Fund in the amount of PLN 9,420 thousand.

Financial statements of "Echo Investment" S.A. for 2022 was approved by the resolution of the Ordinary General Meeting of Shareholders of June 29, 2023.

The profit earned by "Echo Investment" S. A. in 2021 is proposed to be included in the distribution among shareholders.

Pursuant to the resolution of the Ordinary General Meeting of Shareholders, EI SA paid shareholders a dividend in the amount of PLN 90,791,928.04, which was PLN 0.22 per share. The advance dividend in the amount of PLN 90,791,928.04 was paid by the Company on November 10, 2023.

Explanatory notes to standalone cash flow statement

NOTE 23A

Cash included in the cash flow statement [PLN '000]

	1.01.2023- 31.12.2023	1.01.2022- 31.12.2022
Opening balance, including	116 073	74 239
cash in hand and cash equivalents	116 073	74 239
Closing balance	105 086	116 073
cash in hand and cash equivalents	105 086	116 073

Additional explanation to cash-flow statement structure

The company reports interest on loans granted in investing activities.

In the statement of cash flows within financing activities, the lessee classifies:

- cash payments of the principal plus interest,

While within operating activities the lessee classifies:

- short-term lease payments,
- payments for leases covering low-value assets, and
- variable lease payments not included in the measurement of the lease liability.

NOTE 23B**Change of liabilities arising out of financial activity [PLN '000]**

	liabilities due to loans, borrowings and bonds	other liabilities including dividend
As at 1 January 2023	1 879 410	0
Cash flow		
- inflows	290 000	
- expenses	(408 984)	(181 584)
Non-monetary changes	86 728	181 584
- accrued interest	(4 792)	
- bond compensation	141 332	
- valuation of exchange rate differences	(23 585)	
- valuation at the effective interest rate	(13 112)	
- dividend paid		181 584
- due to lease contracts	(15 537)	
- expenses	2 422	
As at 31 December 2023	1 847 154	-

Change of liabilities arising out of financial activity [PLN '000]

	liabilities due to loans, borrowings and bonds	other liabilities including dividend
As at 1 January 2022	2 094 611	0
Cash flow		
- inflows	225 822	
- expenses	(612 955)	(90 792)
Non-monetary changes	171 932	90 792
- accrued interest	29 026	
- bond compensation	160 000	
- loan compensation	(23 358)	
- valuation of exchange rate differences	6 806	
- valuation at the effective interest rate	11 209	
- dividend paid		90 792
- due to other financial liabilities	7 906	
- due to lease contracts	(25 954)	
- settled commissions	6 297	
As at 31 December 2022	1 879 410	-

Information about financial instruments [PLN '000]

Type of instrument	Note	Classification according to IFRS 9	Carrying value	
			as at 31.12.2023	as at 31.12.2022
Financial assets				
Long-term and short-term financial assets			-	64 157
Bonds	4	depreciated cost	-	64 157
Borrowings and receivables			829 322	1 178 872
Long-term borrowings	5	depreciated cost	643 423	502 672
Short-term borrowings	5	depreciated cost	104 741	567 908
Trade payables	9	depreciated cost	36 868	43 495
Leasing	7,9	depreciated cost	34 898	38 546
Loans granted	6	fair value	9 392	26 251
Cash and other monetary assets			105 086	116 073
Other financial assets		depreciated cost	3 534	-
Cash and cash equivalents		depreciated cost	101 552	116 073
Financial liabilities				
Other financial liabilities			1 883 799	1 899 547
Liabilities due to issue of debt securities	12	depreciated cost	1 483 686	1 404 500
Trade liabilities	13	depreciated cost	36 646	20 137
Borrowings	12	depreciated cost	142 985	208 489
Loans	12		152 448	155 399
Leasing	13		68 034	96 146
Derivative financial instruments	13	fair value	-	14 876

IFRS 9, which replaced IAS 39, defines three categories of financial assets, depending on the business model in terms of asset management and the characteristics of cash flows resulting from the agreement:

- assets measured after initial recognition at amortized cost — if financial assets are held according to the business model, the purpose of which is to maintain financial assets to obtain cash flows arising from the agreement and the contractual terms relating to those financial assets give rise to cash flows that are only repayment of the principal and the interest,
- assets measured after initial recognition at fair value through other comprehensive income — if financial assets are held according to the business model, the purpose of which is both to maintain financial assets to obtain contractual cash flows and to sell financial assets and the contractual terms relating to those financial assets give rise to cash flows, which are only repayment of the principal and the interest,
- assets measured at fair value through the profit and loss account - all other financial assets. The fair values of financial instruments do not differ significantly from their carrying amounts.

Due to the fact that the interest rate on financial instruments is related to the WIBOR and EURIBOR rates, the Company's Management Board estimates that their fair value is approximately equal to the book value, taking into account accrued interest.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 in relation to the IBOR reform.

In response to the expected reform of reference rates (IBOR reform), the International Accounting Standards Board published the second part of the amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. The changes relate to accounting issues that will arise when the instruments financial instruments based on IBOR will switch to the new interest rates. The changes from January 1, 2021 introduced a number of guidelines and exemptions, in particular practical simplification in the case of contract modifications required by the reform, which will be recognized by updating the effective interest rate, exemption from the obligation to terminate hedge accounting, temporary exemption from the need to identify the risk component, and also the obligation to provide additional disclosures. Introduced above. the changes have been

analyzed by the Company's Management Board and do not have a significant impact on the financial situation, results of operations of the Company, or the scope of information presented in these interim condensed financial statements. The interest rates on which financial instruments are based are still published and are in line with the BMR Regulation.

The National Working Group for the Reform of Benchmarks (NGR), established by the Polish Financial Supervision Authority, is working on the implementation of a

new RFR-type benchmark - WIRON (Warsaw Interest Rate Overnight), which will replace WIBOR and WIBID. The roadmap published by NGR explains that the change takes place in accordance with the BMR Regulation as part of the IBOR reform. The reform is scheduled to be completed by the end of 2027.

The Management Board monitors the changes introduced and as at the date of preparation of the separate financial statements, it is unable to clearly determine the impact of the reform.

The structure of financial instruments bearing interest at a variable interest rate [PLN '000]

Variable interest rate instruments	as at 31.12.2023	as at 31.12.2022
Financial assets	853 250	1 250 810
Financial liabilities	1 779 119	1 768 388
Total net	(925 869)	(517 578)

CHAPTER 3

Information on financial statement of the Company



01

New standards and interpretations that are effective as of 1 January 2023

The following standards and amendments to standards became effective on 1 January 2023:

Amendments to IFRS 4 “Insurance contracts” titled “Extension of the temporary exemption from the application of IFRS 9”

approved in the EU on 16 December 2020)

The expiry date of the temporary exemption from IFRS 9 has been extended from 1 January 2021 to annual periods beginning on or after 1 January 2023.

Amendments to IAS 1 “Presentation of financial statements” - Disclosures about accounting policies applied

Effective for annual periods beginning on or after 1 January 2023.

Amendments to IAS 8 “Accounting policies, changes in accounting estimates and errors” - Disclosures on accounting policies applied

Effective for annual periods beginning on or after 1 January 2023.

IFRS 17 “Insurance contracts”, as amended by IFRS 17

Effective for annual periods beginning on or after 1 January 2023.

Amendments to IAS 12 Income taxes

(issued on 7 May 2021)

Not adopted by the EU up to the date of approval of these financial statements - applicable for annual periods beginning on 1 January 2023.

The above amendments did not have a material impact on the Company’s 2023 standalone financial statements.

02

Published standards and interpretations which are not effective yet and have not been adopted

In approving these financial statements, the following amendments to existing standards have been issued by the IASB and endorsed for use in the EU, which are effective at a later date:

Amendments to IAS 1 “Presentation of financial statements” - Classification of liabilities as shortterm or long-term

It is effective for annual periods beginning on or after 1 January 2024.

Amendments to IFRS 16 “Leasing” - lease liabilities in sale and leaseback transactions

It is effective for annual periods beginning on or after 1 January 2024.

New standards and amendments to existing standards issued by the IASB but not yet endorsed for use in the EU

The IFRS as approved by the EU do not currently differ significantly from the regulations issued by the International Accounting Standards Board (IASB), except for the following new standards and amendments to standards, which as at 31 December 2023 have not yet been approved for use in the EU (the following effective dates refer to the full version of the standards):

IFRS 14 “Deferred balances from regulated activities”

Effective for annual periods beginning on or after 1 January 2016. The European Commission has decided not to initiate the approval process of this interim standard for use in the EU until the final version of IFRS 14 is issued.

Amendments to IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” - Sale or Contribution of Assets between an Investor and its Associate or Joint Undertaking undertaking and subsequent changes

The effective date of the amendments has been postponed until the completion of research work on the equity method.

Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures: Supplier Financing Arrangements”

(published on 25 May 2023)

As at the date of approval of these financial statements not approved by the EU - effective for annual periods beginning on or after 1 January 2024.

Amendments to IAS 12 “Income Taxes: International Tax Reform - Pillar Two Model Rules”

(published on 23 May 2023)

As at the date of approval of these financial statements not approved by the EU - effective for annual periods beginning on or after 1 January 2023.

Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability”

(published on 15 August 2023)

As at the date of approval of these financial statements not approved by the EU - effective for annual periods beginning on or after 1 January 2025.

According to the Company’s estimates, the above-mentioned new standards and changes to the existing standards would not have a significant impact on the financial statements, if they had been applied by the Company as at the balance sheet date.

Hedge accounting of the portfolio of financial assets and liabilities, the principles of which have not been approved for use in the EU, still remain outside the regulations approved by the EU.

03

Main accounting principles

Intangible assets

Intangible assets are recognised, if it is likely that they will result in economic benefits directly attributable to these assets in the future. Intangible assets are initially recognised at the purchase price or the manufacturing cost. After the initial recognition, intangible assets are measured at the purchase price or the manufacturing cost, less amortisation and impairment losses. Records of intangible assets are conducted analytically. The depreciation schedule corresponding to the useful life of the asset is used in the depreciation plan.

Intangible assets are tested for impairment, if certain events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is disclosed in the amount by which the carrying value of an asset exceeds the recoverable value.

Property, plant and equipment

Property, plant and equipment include the Company's tangible assets. The Company's tangible assets include:

- property (not leased and not intended for trading) used by the Company,
- machinery and equipment,
- means of transport,
- other complete and usable items with an expected useful life of more than one year.

PP&E is measured and presented in the statement at the purchase price or the manufacturing cost, less depreciation and impairment losses.

Fixed assets are booked on summary accounts according to Fixed Assets Classification groups. Fixed assets are depreciated using the straight-line method with the use of rates corresponding to the period of economic utility of the asset.

Depreciation rates for specific groups of fixed assets are:

- for buildings and structures: from 1.5 percent to 10 percent,
- for means of transport: from 7 percent to 20 percent,
- for technical devices and machines: from 4.5 percent to 25 percent,
- for other fixed assets: from 10 percent to 25 percent.

Subsequent costs are included in the carrying amount of a given fixed asset or are recognized as a separate fixed asset (where appropriate) only when it is probable that economic benefits will be obtained by the Company in relation to this item, and the cost of the given item can be reliably measured and assessed. All other expenses for repair and maintenance are recognized in the profit and loss account in the financial period in which they were incurred.

PP&E is tested for impairment, if certain events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is disclosed in the amount by which the carrying value of an asset (or a cash-generating item to which an asset is related) exceeds the recoverable value, and is recognised in the profit and loss account. The recoverable value is one of the two amounts, whichever is higher: fair value less selling costs or use value.

Profits and losses on the disposal of PP&E which constitute differences between sales revenue and the carrying value of a sold PP&E item are recognised in the profit and loss account under other operating revenue/costs.

Leasing

The Company as a lessee

In order for a contract to be classified as a leasing agreement, the following conditions must be met:

- the contract must relate to an identified asset for which the supplier does not have a significant converting right,
- the contract should give the beneficiary the right to control the use of the identified asset for a specified period of time. This means that the user has the right to take advantage of the economic benefits of using a given component and the right to decide on its use,
- the contract must be payable.

The company applies the following simplifications, based on not including the lease liability:

- short-term lease: a short-term lease agreement is a contract with no option to purchase an asset, concluded for a period shorter than 12 months from the beginning of the contract,
- low-value lease: the basis for the assessment of the „low” value should be the value of the new asset. The Management Board of the Group has decided that this applies to lease agreements regarding assets whose value did not exceed PLN 15,000 (when new), which can be treated as the upper limit of recognition as a low value item.

The Company recognizes a right of perpetual usufruct of land granted by an administrative decision as a leasing contract. This applies to all land, including those related to development projects presented in stock.

If leasing and non-leasing elements are identified in the contract, the Company chooses a practical solution according to which it recognizes each leasing element and any accompanying non-leasing elements as a single leasing element. In addition, in the case of a portfolio of leases with similar characteristics, the Company applies the standard to the entire portfolio when it reasonably expects that the impact that the application of this standard will have on the financial statements will not be significantly different from the impact of applying it to individual leases under this portfolio.

The duration of the lease agreement is defined as the irrevocable period of the lease agreement including also possible periods of renewal of the lease agreement if the lessee has sufficient certainty that this option will be used and the possible periods of notice for the lease agreement if the lessee has sufficient certainty that this option will be used.

At the time of the first recognition, the Company recognizes the lease liability measured at the current value of lease payments due to the lessor over the lease period discounted at the marginal lending rate typical for a given asset. Lease payments include:

- fixed payments less any incentives due,
- variable lease payments, that depend on the index or the rate, initially priced using the index or the rate effective as at the starting date of the contract,

- amounts whose payment by the lessee is expected within the guaranteed residual value,
- the exercise price of the purchase option, if it can be assumed with sufficient certainty that the lessee will use this option,
- penalty payments for termination of the lease, if the lease terms stipulate that the lessee may use the option of termination of the lease.

At the same time, the Group recognises an asset for the right to use in the same amount as a liability, adjusted for all lease payments paid on or before the start date, less any lease incentives received and increased by any initial direct costs incurred by the lessee. After initial recognition, the Group recognises a lease liability by:

- increasing the carrying amount to reflect interest on a lease liability,
- reducing the carrying amount to reflect lease payments paid, and
- updating the valuation of the carrying amount to take account of any reassessment or changes in the leases listed below (changes in the lease contract), or to reflect substantially updated constant lease payments.

Changes to the lease agreement that make it necessary to update the value of the liability include:

- change in the leasing period,
- change in the assessment of the call option of the underlying asset,
- a change in the amount expected to be paid under the guaranteed final value,
- a change in future lease payments resulting from a change in the index or rate used to set those payments, including, for example, a change to take into account changes in rental rates in the free market following a review of those rentals.

For the above changes, the Company applies an unchanged discount rate, unless the change in lease payments results from changes in variable interest rates. In that case, the Company shall use a revised discount rate that reflects changes in the interest rate.

The Company shall recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes the remaining amount of the revaluation in the result.

After the date of commencement of the lease, the asset under the right of use is measured at cost less total depreciation and amortization (impairment) and total impairment loss and the revised lease liability adjusted for any revaluation. Depreciation is calculated using the straight-line method over the estimated useful life. If the lease agreement transfers to the Company the title of the asset before the end of the lease period or when the cost of

the asset due to the right of use reflects the fact that the Company will exercise the option to buy the residual value of the leased asset, the Company depreciates the asset from the right of use from the moment of commencement of the leasing contract until the end of the estimated economic useful life of the asset.

In other cases, the Company depreciates assets due to the right of use from the date of commencement of the contract to the earlier of two dates: the date of the end of the economic life of the asset or the end date of the lease.

For lease contracts, the subject of which is an asset which, in accordance with the Company's accounting policies, is measured at fair value, the Company does not depreciate such assets due to the right of use but measures them at fair value.

The Company classifies the right-of-use assets resulting from signed contracts / issued decisions to the following balance sheet items and applies an accounting policy appropriate for a given item:

Contract type and presentation in the balance sheet	Valuation method as at the balance sheet date	Impact on the income statement
Office space lease agreements:		
— investment property, or	Valuation at fair value	Yes
— fixed assets	Depreciation	Yes
Rental agreement on means of transport:		
— fixed assets	Depreciation	Yes
Perpetual usufruct of land:		
— investment property, or	Valuation at fair value	Yes
— investment property under construction, not valued at fair value, or	Depreciation with simultaneous capitalization of depreciation costs in the value of investment property under construction	No
— fixed assets	Depreciation	Yes
— inventory	Depreciation with simultaneous capitalization of depreciation costs in inventory	No

The Company has decided to include assets due to the right of use in the same line of the statement of financial position, in which the corresponding leased assets are presented when they are the property of the Company. Liabilities are presented appropriately in long-term - when the asset due to the right of use is classified as a fixed asset, investment property or investment property under construction, or short-term - when perpetual usufruct concerns assets classified as inventory.

Lease liabilities are covered by IFRS 9 with respect to determining when these liabilities meet the criteria for removing them from the balance sheet. A liability in accordance with IFRS 9 par. B.3.31-B.3.34 is removed from the balance sheet once it has been settled, expired or the debtor has been legally released from debt, e.g. by transferring the debt to another party.

The right of perpetual usufruct of land, in relation to which the Company is legally released from the debt arising from the obligation to pay fees for perpetual usufruct

or transformation fees only at the time of legal (notarial) transfer of a share in the land belonging to the premises sold to the buyer, is a special case. Therefore, until the transfer of the above ownership, the liabilities of the lease of land, as well as the corresponding assets due to the right to use the land in perpetual usufruct, remain on the balance sheet, although in accordance with the policies described in section 4 Methods for determining the financial result, revenues from the sale of residential and service premises are recognized when the property is delivered to the buyer. For this reason, when the premises are transferred to the buyer (which is also the moment when the proceeds from the sale of the premises are recognized), a portion of the related leasing asset is transferred from inventory to receivables from the buyer, in the amount corresponding to the recognized liability for the leasing of the given land. Until the (notarial) transfer of the property to the purchaser, both the receivable and the liability are disclosed as short-term, because they will be settled by transfer to the buyer during the "operating cycle". On the date of transfer of ownership to the buyer, the

liability for land lease and receivables from the purchaser of premises are derecognised through the cost of sales.

The company as a lessor

In the case of contracts where the Company acts as a lessor, each lease contract is classified as operating or finance lease. Lease agreements under which the lessor retains a significant portion of the risks and rewards of ownership of the leased asset are classified as operating leases. A leasing contract is classified as a financial leasing if, as a result of this contract, substantially all of the risk and rewards of ownership of the leased asset are transferred to the lessee.

In the case of operating lease agreements, the Company recognizes lease revenues on an ongoing basis in the statement of comprehensive income. In the case of finance leases, the Company derecognises the asset that is the subject of the agreement while recognizing the lease receivable.

Subleasing

Subleasing is a transaction for which an underlying asset is re-leased by a lessee ('intermediate lessor') to a third party, and the lease ('head lease') between the head lessor and lessee remains in effect.

The Company subleasing is classified as follows:

- if it was decided to choose a short-term lease exemption for main lease, subleasing is classified as operating lease,
- otherwise, sub-leasing is classified in relation to the asset due to the right to use the principal lease and not the underlying asset.

If the sublease agreement is classified as operating lease, the indirect lessor (the Company) continues to recognize the lease liability and asset due to the right to use of the main lease. At the same time, it recognizes sublease leasing revenues on an ongoing basis.

If the sublease agreement is classified as financial lease, the indirect lessor (the Company):

- ceases to recognize the asset due to the right to use the main lease as at the date of the initial sublease agreement,
- recognizes the net investment from sub-leasing instead and assesses it for impairment (lease receivable),
- continues to recognize the original lease liability.

Interests and shares in subsidiaries, jointly controlled entities and associates

Stocks and shares in subsidiaries, co-subsiaries and associates, presented at purchase price adjusted for subsequent impairment losses. The impairment test is carried out when there are indications that the carrying amount of the investment will not be recovered.

The Company analyzes the net asset value of the companies in which it holds shares due to the fact that the main item of assets of these entities are investment properties, usually measured at fair value, while the largest liability item is special purpose loans and therefore the net asset value reflects fair value of the shares held. In the event that the net asset value of the company in which the Company owns investments does not correspond to fair value of these net assets, the Company determines fair value based on other methods (e.g. independent experts' valuation of the company's assets, valuation by discounted cash flow, etc.).

In case of impairment losses, adjustments are made in the income statement and are presented as an expenditure. An impairment loss is recognized for the amount by which the carrying amount exceeds the recoverable amount. If the loss is reversed, its value is recognised under financial income. Subsidiaries are the entities controlled by the Company.

Executing control over subsidiaries occurs in following cases:

- management over indicated entity,
- undergoing exposition for changeable returns or possessing rights to changeable returns due to its involvement in indicated entity,
- possibility to execute power to influence on generated returns.

The Company verifies the fact of exercising control over other entities, if there is a situation indicating a change in one or more of the above-mentioned conditions of exercising control.

Associated companies are the units which the Company has a significant influence on yet are not subsidiaries or shares in joint enterprises of the Company. A significant influence is the ability to participate in decision making regarding financial and operational policies of the business but it does not involve control or co-control of the policy. Jointly controlled entities are those entities in which all strategic financial and operating decisions (including in

particular: purchase of a significant asset, conclusion of a lease agreement, etc.) require the unanimous consent of both shareholders.

Inventories

The following items are recognised under inventories: semi-finished products, work-in-progress, finished products and goods. Given the specific nature of business, the purchased land or the incurred fees due to perpetual usufruct of land are classified as “work-in-progress” — if the land is intended for development and resale, or as “goods” — if the land is intended for sale. “Work-in-progress” also includes the incurred expenditures related to the process of implementing projects for sale (design services, construction works etc., performed by external contractors). “Finished products” include mainly completed residential and commercial developments sold under final agreements.

Inventories of current assets are measured at the purchase price of land and at the manufacturing costs of products in the property development business, plus capitalised financial costs, but not exceeding the net realisable value. This value is obtained based on information from the active market. An inventory write-off is reversed due to the sale of an inventory item or increase in the net selling price. Inventory write-offs disclosed in the period as cost and reversals of inventory write-downs disclosed in the period as a decrease of costs are presented in the profit and loss account under ‘cost of sales’.

The ‘finished goods’ item includes completed apartments earmarked for sale. The ‘intermediates and products in progress’ item mostly includes properties held by the Company and the expenditure on residential projects under preparation or constructions. The ‘goods’ item includes the land earmarked for sale.

Financial assets

In accordance with IFRS 9, the Company classifies its financial assets into the following categories:

- financial assets measured at amortized cost,
- financial assets measured at fair value through other comprehensive income,
- financial assets at fair value through profit or loss.

The classification of assets takes place at the moment of initial recognition. It depends on the financial instruments management model adopted by the entity and analysis of the characteristics of contractual cash flows from these instruments.

Loans granted, trade and other receivables and restricted cash that do not meet the definition of cash equivalents in accordance with IAS 7 Statement of Cash Flows (i.e. collateral for bank guarantees and funds held in open housing fiduciary accounts) are measured by the Company at amortized cost, as two conditions are met for them: the assets are held in a business model whose intention is to hold the assets to obtain contractual flows and the contractual terms of these financial assets give rise to cash flows at certain times that are only repayments of principal and interest on outstanding capital.

Assets are entered into the books on the trade date and are excluded from the balance sheet when the contractual rights to cash flows from the financial asset expire or when the financial asset is transferred along with all the risks and rewards of ownership of the asset. The company uses a weighted average.

If the renegotiation or other type of modification of the contractual cash flows generated by the financial asset results in its derecognition in accordance with IFRS 9, the modified instrument is treated as new. In the event of a renegotiation or other modification of the contractual cash flows generated by a given asset that does not result in derecognition, the Company revalues the gross carrying amount of that financial asset (ie the amount of its amortized cost before allowance for credit losses). The revaluation is the discounting of new expected contractual cash flows (after modification) using the original effective interest rate. The resulting difference is recognized as profit / loss in profit or loss. From that point on, an entity assesses whether the credit risk of the financial instrument has increased significantly after its initial recognition by comparing the credit risk at the reporting date (under the modified terms) with that at initial recognition (under the pre-modification terms).

Receivables

Trade and other receivables are recognized in the balance sheet at transaction price and then at amortized cost using the effective interest method, reducing them by impairment losses. When the difference between the value at amortized cost and the value of the amount of the payment required does not have a significant effect on the Company’s financial results, such receivables are recognized in the balance sheet as the amount of the payment required. The value of receivables is updated taking into account the degree of probability of their payment by making a write-down. The rules for creating revaluation writeoffs are described below in the section Impairment of financial assets.

Advances for deliveries are valued according to cash disbursed and in accordance with received VAT invoices documenting the granting of advance payments.

Loans granted

Loans granted are debt instruments held for the purpose of obtaining contractual cash flows that consist solely of principal and interest repayments (“SPPI”). These assets are entered into the books on the transaction date, and excluded from the balance sheet when the contractual rights to cash flows from the financial asset expire or when the financial asset is transferred together with all the risks and rewards of ownership of the asset. Loans granted are recognized as at the date of entry into the books at fair value increased by transaction costs, and later as at the balance sheet date at amortized cost determined using the effective interest rate method.

The rules for creating impairment losses are described below in the “Impairment of financial assets” section.

Cash and cash equivalents

Cash at bank and in hand as well as short-term deposits as well as other financial assets that meet the definition of cash equivalents are measured at nominal value. At each balance sheet date, the Company assesses the premises for impairment of cash value, including the need to create a provision for expected credit losses.

Foreign currency cash is measured as of the reporting date. The same definition of cash applies to the cash flow statement. According to the Company, the financial resources of limited disposability mostly include funds constituting security for bank guarantees and funds accumulated on open residential fiduciary accounts.

Loss of value of financial assets ('ECL')

Pursuant to IFRS 9, as at each reporting day, the Company estimates the amount of the impairment loss equal to the expected credit loss ('ECL'). The Company calculates the write-off as follows for individual asset categories:

Trade receivables

The Company uses a simplified approach and therefore does not monitor changes in credit risk during its lifetime and measures the impairment loss in the amount equal to the expected credit losses ('ECL') over the life of the debt. To calculate the value of the impairment loss for trade receivables, the Company uses a provision matrix made once a year as at December 31 based on historical data regarding the payment of receivables by contractors. Impairment losses are updated as at each reporting day. The provision matrix is based on the analysis of the

payment of receivables in individual past due groups and determining the probability of non-payment of receivables from a given age range based on historical data. For the purposes of the analysis, trade receivables are divided into two groups: receivables from the sale of apartments, the lease and other receivables. The calculated probability of non-payment of receivables in each of the past due groups for specific categories of receivables is applied to the current balance of receivables in each of the past due groups and the write-off for the expected credit losses of receivables is calculated.

Additionally, the Company analyzes individual trade receivables and other receivables where it is highly probable they will become uncollectible, in cases justified by the type of business or the client structure - and recognizes the write-off in a reliably estimated value. Classification of an asset to this category is made on the basis of information about the current financial situation of the counterparty and information about other events that may have a significant impact on the recoverability of the asset. Such receivables are excluded from the matrix analysis, and a possible write-off is recognized on the basis of an individual analysis.

Loans granted and covered bonds

The Company calculates the expected credit losses ('ECL') for loans and bonds as the difference between the cash flows arising from the contracts signed and the cash flows that the entity expects to receive. Loans granted and covered bonds are classified as low risk instruments. Therefore, the write-off for expected credit losses is calculated for a period of 12 months.

The Company calculates the cash flows that it expects to obtain based on the default ratio determined on the basis of the margin on the bonds issued by the Company and adjusted by the recovery ratio. In addition, the Company provides the individual analysis of loans granted and bonds covered with a significant level of probability of default, in cases justified by the type of business or the client structure - and recognizes the write-off in a reliably estimated value. Classification of an asset to this category is made on the basis of information about the current financial situation of the counterparty and information about other events that may have a significant impact on the recoverability of the asset. Such loans and bonds are excluded from the matrix analysis, and a possible write-off is recognized on the basis of an individual analysis.

Financial guarantee agreements

Financial guarantee contracts are recognized in off-balance sheet liabilities and receivables.

Financial guarantee contracts are recognised as financial liabilities when the guarantee is issued. The liability is initially recognised at fair value and then measured at the higher of the following amounts:

- the amount determined in accordance with the expected credit loss model in compliance with IFRS9 Financial Instruments, or
- the amount initially recognised, reduced (if applicable) by the cumulative amount of proceeds recognised in compliance with the principles of IFRS 15 Revenue from Contracts with Customers.

Performance guarantees

Performance guarantees are contracts that provide for compensation if the other party fails to perform a contractual obligation. Such contracts transfer non-financial performance risk in addition to credit risk. At the end of each reporting period, performance guarantee contracts are valued at the best estimate of the expenditures required to settle the contract at the end of each reporting period of the period, discounted to the current value. Where the Company has a contractual right to return to the counterparty amounts paid to settle performance guarantee contracts, these amounts will be recognised as an assets when the compensation is transferred to the beneficiary of the guarantee.

At each balance sheet date, the Company assesses whether there is a likelihood of a need to make a withdrawal and create a provision. The amount of the provision is determined based on estimates of the amount of probable expenditure necessary to settle the liability arising from the guarantee contract.

At the same time, in accordance with the requirements of IFRS 9, the Company creates the provision for expected credit losses ('ECL') due to financial guarantees granted. The Company calculates the expected credit loss ('ECL') regarding the guarantees given as expected payments to compensate the guarantee holder for the incurred credit loss. The Company first determines the value of the Company's exposure due to guarantees granted (the actual total value of the contingent liability as at the balance sheet date). The net exposure resulting from the guarantee thus determined is multiplied by the default ratio (determined on the basis of the margin on bonds issued by the Company and adjusted for the recovery ratio).

Income tax

Income tax on the profit or loss for the financial year includes current and deferred income tax. Income tax is recognised in the profit and loss account, except for amounts related to items recognised directly in equity or in other comprehensive income; in this case, income tax

is disclosed in equity and other comprehensive income respectively

The current portion of income tax is the expected amount of tax on taxable income for a given year, calculated based on the tax rates determined as of the balance sheet date along with any tax adjustments for previous years. Deferred tax is calculated with the balance sheet method as tax to be paid or reimbursed in the future on the differences between the carrying values of assets and liabilities and the corresponding tax values used to calculate the tax base, except for temporary differences which arise at the time of initial recognition of an asset or liability, and do not affect the accounting or tax result. At the commencement of the lease, the right-of-use asset and the lease liability are equal, so there is no temporary difference and no deferred tax is created. During the lease term, a difference arises between the value of the asset and the lease liability. The company charges deferred income tax on the difference between these values. This approach aims to reflect the relationship between the right-of-use asset and the lease liability, and account for deferred tax based on cumulative temporary differences. This method provides an effective tax rate that better reflects the economics of the entire lease transaction.

Deferred tax is not created for temporary differences on investments in subsidiaries, jointly controlled entities and associates, if the Company controls the reversal of these differences and they will not be reversed in foreseeable future.

Deferred income tax assets due to tax loss are created, if the settlement of the loss in the following years is probable. For the calculation of deferred income tax, a tax rate is used which will apply in the reporting periods in which assets will be settled or liabilities will be released. Deferred income tax is estimated on every balance sheet date by recognising differences in the profit and loss account, other comprehensive income or equity, depending where the temporary difference from which the deferred tax is subtracted was recognised. Assets and provisions on deferred income tax are presented jointly.

Equity

Share capital is measured at the nominal value disclosed in the National Court Register. Differences between the fair value of a payment and the nominal value of shares are recognised in the share premium.

The issue costs of shares decrease the Company's supplementary capital.

Provisions

Provisions are established when the Company has a present obligation as a result of past events and when it is probable that the fulfilment of that obligation will involve an outflow of assets representing economic benefits and the amount of such obligation can be credibly estimated.

Provisions are measured at the current value of costs estimated by the Company's management according to its best knowledge which must be incurred to settle a current liability as of the balance sheet date. In accordance with the adopted principle, no provisions are made for retirement benefits. Due to the age of employees and their rotation, potential reserves would not have a significant impact on the presented financial statements. Upon their occurrence, the payment of retirement severance pays will be booked on a cash basis.

Financial liabilities

Financial liabilities include loans, borrowings, debt securities, not payable interest on bank loans accounted for according to the accrual principle as well as the discount of debt securities to be settled in subsequent accounting periods. Foreign currency loans are measured at the selling rate of the bank serving the Company.

Financial liabilities are initially recognized at fair value less transaction costs, and then measured using the "amortized cost" method. The valuation of liabilities includes all costs of obtaining financing, including directly related to financing costs of bank fees, costs of brokers and agents, legal costs, experts, a bank monitor, and costs related to marketing at obtaining the capital, occurring in the issue of bonds. Trade liabilities are initially measured at fair value, and subsequently, long-term liabilities are measured at amortized cost using the effective interest method. In cases where the difference between the value at amortized cost and the value in the amount of the payment required does not have a significant effect on the financial results of the Company, such liabilities are recognized in the balance sheet in the amount of the payment required.

Trade liabilities are initially measured at fair value, and subsequently, long-term liabilities are measured at amortized cost using the effective interest method. In cases where the difference between the value at amortized cost and the value in the amount of the payment required does not have a significant effect on the financial results of the Company, such liabilities are recognized in the balance sheet in the amount of the payment required.

Currency transactions

The functional currency of the Company is the Polish Zloty (PLN, zł). Foreign currencies as at the balance sheet day are valued at the NBP exchange rate as at the balance sheet day. Exchange differences arising as at the date of their valuation and when the payment of receivables and liabilities in foreign currencies, are included respectively in financial income or costs, and in justified cases, the cost of manufacturing products or the purchase price of goods, as well as the purchase price or production cost of fixed assets, fixed assets under construction or intangible assets.

Cash flow statement

The cash flow statement is prepared using the indirect method. Liabilities due to overdraft facilities are presented as debt due to loan and not as cash equivalents
Segment reporting

The Company does not separate segments according to IFRS 8, paragraph 4. This information is presented in the consolidated financial statements of the Echo Investment Capital Group.

Net profit per share

The net profit per share for each period is calculated by dividing the net profit for a given period attributable to ordinary shareholders of the parent entity by the weighted average number of shares issued during the period.

04

Methods of determining the financial result

The financial result is determined from the profit and loss account, applying the principles of the accruals concept and the matching principle, the yield and the precautionary principle, upon reducing gross profit by input income tax, write-offs on account of provision for transitional difference due to income tax and other charges of the financial result. The financial result is determined by the calculation method.

Operating revenue

In accordance with IFRS 15, the Company recognises revenues when the obligation is fulfilled (or in the course of fulfilling) by transferring a promised goods or services (i.e. an asset) to a customer. The asset is transferred when the customer obtains control of that asset.

After fulfilling (or in the course of fulfilling) obligations, the entity recognises an amount equal to a transaction price as income, which has been assigned to that performance obligation. To determine the transaction price, the entity shall consider the terms of the contract and its usual commercial practices. The transaction price is the amount of remuneration that the entity expects to be entitled to in exchange for the transfer of promised goods or services to the customer, excluding amounts collected on behalf of third parties (for example, certain sales taxes). The remuneration specified in the contract with the client may include fixed amounts, variable amounts or both.

Revenue from the sale of residential and service premises are recognised on the date of handover of real estate to the buyer. This occurs on the basis of the acceptance protocol signed by the parties providing only after completion of the construction of real estate and receiving the occupancy permit on condition that the buyer will pay 100 percent towards the purchase price of real estate.

Paid apartments are also considered to be cases of minor underpayments (up to PLN 500), larger underpayments, which the Company decides not to collect from customers, or in the event of receivables from tenant changes, which, according to arrangements, are payable later than the moment of handover of the premises. Revenues from the rental of residential and commercial space are recognised on a straight-line basis over the term of the contracts concluded. Revenue from other contracts for the provision of services (legal, consulting, IT, financial, marketing, security and other services) is recognised by the Company when the performance obligation is met.

Cost of sales

Costs of goods, products and services sold consist of costs incurred in respect of revenues of a given financial year and overheads not yet incurred. This item also includes costs that are directly related to revenue from related entities on account of services provided (including investment services, construction and engineering consultancy).

The cost of goods and products sold is measured at the production cost, using the method of detailed identification of the actual cost of assets sold or the percentage share e.g. of the land or shares sold, etc. In particular, the cost of sales of premises and land sold is determined proportionally to their share in the total cost of construction of the facility and the entire land constituting a given project. The detailed identification of the costs associated with employees' salaries as part of the cost of sales, is made on the basis of the employee's working time records, broken down into the individual projects developed.

Administrative costs associated with projects

Project-related administrative costs include the administrative costs which are indirectly related to the execution of development projects such as:

- perpetual usufruct fees,
- real property taxes,
- operating fees,
- property protection,
- administrative staff's remuneration, employee maintenance costs in the portion attributable to the project, and
- other stock maintenance related costs.

These costs, despite their indirect connection with development projects, are not capitalized in the value of stock / investment property because: – in the light of IAS 2, they are excluded from the purchase price or cost of stock production as they are not incurred in order to bring the stock to its current status and location; – IAS 40 in relations to IAS 16, does not allow to capitalize general and administrative costs in the value of investment properties.

Cost of financing

Financial costs related to the current period are recognized in the profit and loss account, except for costs subject to activation in accordance with the solution

included in IAS 23. The Company activates the part of financial expenses which is directly related to the acquisition and production of financial assets recognized as stock and projects commenced. In case of targeted financing, incurred to implement a project, the amount of financial costs, less income from temporary deposits of cash (i.e. amounts of interest on bank deposits, except for deposits resulting from blocking accounts, letters of credit agreement) is activated. In the case of general financing, financing costs subject to the capitalization are determined using the weighted average of all borrowing costs in relation to the expenditure incurred for a given asset. In the case of leasing, interest costs on the leasing obligation related to a specific project are capitalized in the cost of this project (targeted financing).

Pursuant to the requirements of IAS 23, the Company begins to activate financial costs when the Company undertakes actions necessary to prepare an asset for its intended use or sale. These activities involve more than just activities related to its manual construction. They also include technical and administrative work preceding manual construction, such as activities related to obtaining necessary permits, design and preparation works. However, such activities do not include the holding of the asset if it is not accompanied by any processes that change the condition of the asset.

05

Estimates of the Company's management board

To prepare the financial statements, the Company's Management Board had to make certain estimates and assumptions, which are reflected in the statements. The actual results may differ from the estimates. Assumptions and estimates are based on management's best knowledge of current and future events and activities, however actual results may differ from expectations.

The estimates and related assumptions are subject to ongoing verification. A change in accounting estimates is recognized in the period in which they were changed, if it concerns this period only, or in the current and future period, if the changes apply to both the current and future periods.

The main areas where the Management Board's estimates materially affect the financial statements:

Inventory

When estimating the write-down on inventory held by the Company as of the balance sheet date, information from the active market regarding the expected sales prices and current market trends as well as information from preliminary sales agreements concluded by the Company is analysed.

Assumptions used when calculating the write-down mainly relate to market prices of property applicable in a given market segment. According to the Management Board, a change of these assumptions would not materially affect the value of the inventory write-down as of the balance sheet date because the adopted assumptions and information on the value of the write-down were largely based on the concluded sales agreements. In the case of land recognised under inventory, the value of the write-downs results from the usefulness of land for the Company's current and prospective business estimated by the Management Board.

Leasing

The implementation and application of IFRS 16 required the Company to make various estimates and commit professional judgment. The main area in which it concerned the assessment of lease periods, in case of contracts for an indefinite period and contracts for which the Company

was entitled to extend the contract. When determining the leasing period, the Company had to consider all facts and circumstances, including the existence of economic incentives to use or not to extend the contract and any termination option. The Company also estimated the discount rate used in the calculation of the lease liability - as a risk-free rate increased by the characteristic margin for the given asset component to which the lease relates.

Impairment of interests in subsidiaries, jointly controlled entities and associates

An impairment test is conducted when there are indications that the carrying value of an investment will not be recovered. The assessment of the impairment of interests in subsidiaries, jointly-controlled and associated companies is based on an analysis of the fair value of assets and liabilities held by the companies and the expected prospective cash flows from the operations of such companies. In the course of the assessment, the Company also evaluates the duration and extent to which the current value of the shares is lower than its purchase price and a company's perspectives and plans for its investment developments. All material impairment of the fair value of assets in subsidiaries have been regarded to be longterm by the Management Board and have resulted in impairment losses on interests in subsidiaries. In particular, for

material subsidiaries which, as at 31 December 2023, did not run any material operating activity, the value of the recognised write-downs corresponds to the total difference between the net value of the subsidiary's assets and the purchase price of the interests.

Deferred income tax

The Company's Management Board is obliged to assess the probability of the realisation of deferred income tax assets. When preparing the financial statements, the Company estimates the value of the deferred income tax provision and asset based on, among other things, the value of prospective income tax burden.

The process involves analysing current income tax burden and the value of temporary differences from different treatment of transactions in terms of fiscal and accounting aspects, resulting in the creation of deferred income tax assets and provisions. A number of assumptions are adopted for determining the value of deferred income tax assets and provisions in the assessment process described above. The above estimates take account of fiscal forecasts, historic tax burden, currently available strategies for planning the Company's operating activity and timelines for realising the individual temporary differences. Since the above estimates may change due to external factors, the Company may periodically adjust the deferred income tax assets and provisions, which in turn may affect the Company's financial standing and performance

06

Financial risk management

Price risk

The price risk is not material. The Company does not trade in securities on any active market. The Company may conclude transactions on derivatives to hedge against the FX risk related to the forecast cash flows.

Risk of changes in cash flows and fair value related to interest rate

The Company's exposure to the interest rate risk is related to financial assets and liabilities, in particular the granted borrowings, cash, the received bank loans and the issued bonds. Borrowings, loans and bonds bearing a variable interest rate expose the Company to the interest rate risk, while borrowings and loans with a fixed interest rate expose the Company to variations of the fair value of financial instruments. In addition, the Company is exposed to the risk of interest rate variations when raising a new loan or refinancing an existing long-term debt.

Interest rates' risk — loans granted [PLN '000]

	Value calculated for the purpose of analysis	
	at 31.12.2023	at 31.12.2022
Balance of borrowings granted	748 164	1 070 580
Financial income from interests on borrowings granted	46 409	80 354
Estimated change in interest rates	+/- 1 p.p.	+/- 1 p.p.
Financial income from interest on borrowings granted, including changes of interest rates	7 482	10 706
Total impact on gross result in the period	7 482	10 706
Income tax	1 422	2 034
Total impact on the net result in the period	6 060	8 672

The Company granted loans in PLN, where interest rates is variable depending on the WIBOR rate plus a margin. If the level of interest rates as at December 31, 2023 was higher or lower than an applicable level by 1 percentage

point, then the Company's net result would be higher or lower by PLN 6,060 thousand due to higher or lower interest on loans granted in PLN.

Interest rates' risk — liabilities due to debt securities issue [PLN '000]

	Value calculated for the purpose of analysis	
	at 31.12.2023	at 31.12.2022
Balance of liabilities due to issue of debt securities	1 483 686	1 404 500
Financial costs for interest on the issuance of debt securities	(134 828)	(116 448)
Estimated change in interest rates	+/- 1 p.p.	+/- 1 p.p.
Financial costs for interest on the issuance of debt securities including increase / (decrease) in interest rates	14 837	14 045
Total impact on gross result in the period	14 837	14 045
Income tax	2 819	2 669
Total impact on the net result in the period	12 018	11 376

Interest rates' risk — cash [PLN '000]

	Value calculated for the purpose of analysis	
	at 31.12.2023	at 31.12.2022
Cash balance	110 944	116 073
Other operating income from interests	1 589	523
Estimated change in interest rates	+/- 1 p.p.	+/- 1 p.p.
Other operating income from interest including changes of interest rates	1 109	1 161
Total impact on gross result in the period	1 109	1 161
Income tax	211	221
Total impact on the net result in the period	898	939

Interest rates' risk — loan liabilities [PLN '000]

	Value calculated for the purpose of analysis	
	at 31.12.2023	at 31.12.2022
Balance of loan liabilities	152 448	155 399
Financial costs for interest on loans	(7 957)	(6 580)
Estimated change in interest rates	+/- 1 p.p.	+/- 1 p.p.
Financial costs for interest on loans including increase / (decrease) in interest rates	1 524	1 554
Total impact on gross result in the period	1 524	1 554
Income tax	290	295
Total impact on the net result in the period	1 234	1 259

Currency risk

As at the balance sheet date and during the financial year, the Company have balances denominated in a foreign currency. Therefore the sensitivity of other balance sheet items to changes in currency exchange rates was analyzed. Based on the simulations performed, it was found

that impact 10 percent change in the EUR/PLN exchange rate on net profit would constitute the maximum increase or decrease, respectively, within individual categories of receivables.

Currency risk - loans [EUR '000]

	Values calculated for analysis purposes	
	as at 31.12.2023	as at 31.12.2022
Balance of loans and bonds	142 332	180 081
Estimated exchange rate change	+/- 10 p.p.	+/- 10 p.p.
Estimated foreign exchange income / expense	1 423	1 801
Total impact on gross result for the period	1 423	1 801
Income tax	270	342
Total impact on net result for the period	1 152	1 458

Currency risk - bonds [EUR '000]

	Values calculated for analysis purposes:	
	as at 31.12.2023	as at 31.12.2022
Balance of loans and bonds	227 618	188 839
Estimated exchange rate change	+/- 10 p.p.	+/- 10 p.p.
Estimated foreign exchange income / expense	2 276	1 888
Total impact on gross result for the period	2 276	1 888
Income tax	432	359
Total impact on net result for the period	1 843	1 529

Credit risk

Regarding receivables and loans, the entities with which the Company has these settlements do not have any external ratings published. The Company granted loans to entities accounted for using the equity method: Galeria Młociny, Towarowa 22 and Resi4Rent, therefore there is a concentration risk. All of these items were classified as Level 1 in the ECL model because credit risk has not increased since initial recognition. There were no movements on gross value and write-downs between levels. The borrowers do not have external ratings, the group assessed the borrowers as very good, characterized by a high ability to regulate contractual cash flows. The maximum exposure to credit risk is equal to the carrying amount of loans granted.

The credit risk occurs in cash, borrowings granted, derivatives, deposits in banks and financial institutions as well as, in relation to the Company's customers and tenants, in the form of unsettled amounts due. The nature of the Company's operations in the area of the sale of residential space, lease and services means that the Company is not exposed to significant credit risk.

As at 31 December 2023, the Company estimated the value of impairment write downs on trade receivables, applying a provision matrix based on historical data regarding the repayment of receivables by counterparties in the division of types of sales revenues. Credit loss ratios were calculated on the basis of a model based on historical repayment of receivables in individual overdue groups. The table below presents data on exposures and the amount of the loss allowance

Write-downs for expected credit losses as at 31 December 2023 [PLN '000]

Period	Default rate weighted average	Gross value of trade receivables	Allowance for expected credit losses
Current			
30.sty	0,39%	6 142	71
31-90	9,70%	1 654	340
91-360	20,86%	921	526
>361	93,82%	3 052	1 715

Write-downs for expected credit losses as at 31 December 2022 [PLN '000]

Period	Default rate weighted average	Gross value of trade receivables	Allowance for expected credit losses
Current	0,55%	38 894	190
30.sty	0,57%	4 057	26
31-90	9,17%	159	14
91-360	19,31%	708	154
>361	94,28%	2 866	2 780

As of December 31, 2023, the Company has PLN 652,726 thousand gross of loans granted that were classified to basket 1 according to IFRS 9. As a result of the analysis of expected credit losses, the Company recognized write-offs relating to loans in basket 1 in the amount of PLN 2,097 thousand (as at December 31, 2022, PLN 2,943 thousand). Additionally, as of December 31, 2023, the Company has PLN 16,085 thousand gross of loans granted that were classified to basket 3. As a result of the analysis of expected credit losses, the Company recognized write-offs relating to loans in basket 3 in the amount of PLN 16,085 thousand (as at December 31, 2022, PLN 20,235 thousand).

Additionally, the Company has procedures to assess the creditworthiness of customers and tenants, and in the case of tenants, security deposits and guarantees are also used. There is no significant concentration of risk with respect to any of the Company's clients. In the case of cash and deposits in financial institutions and banks, as well as deposits from residential customers on trust accounts presented as other financial assets, the Company uses the services of reputable entities.

In relation to the above-mentioned categories, there is a concentration risk resulting from maintaining almost 50 percent of funds in mBank S.A. bank.

The financial institutions used by the Company have external ratings as at 31 December 2023 [PLN '000]

rating according to Fitch Issuer Default Ratings	Amount of cash and other financial assets [PLN '000]
A-	34 858
BB+	329
BB-	88
BBB-	69 812
	105 087

The financial institutions used by the Company have external ratings as at 31 December 2022 [PLN '000]

rating according to Fitch Issuer Default Ratings	Amount of cash and other financial assets [PLN '000]
A+	15 279
BB	509
BBB-	100 286
	116 074

Loss of liquidity

The liquidity risk occurs when the Company is unable to settle its financial liabilities in due time. The Company manages the liquidity risk by maintaining an adequate amount of supplementary capital, using bank services and reserve loan facilities, and by constantly monitoring the forecast and actual cash flows. Given the dynamic nature of its business, the Company ensures flexible funding through the availability of cash and by diversifying the sources of funding.

In the opinion of the Management Board, the Company has sufficient cash to settle all liabilities in due time. In the long term, the liquidity risk is minimised by the available bank loans. At any time, the Company may use sufficient

funds from the loan facilities granted by banks. The analyses of the Company's financial liabilities and derivatives settled in the net amount which will be settled at specific maturities, based on the period remaining until the contractual maturity as of the balance sheet date, have been presented in the respective notes: loans, borrowings, debt securities, trade receivables and trade liabilities.

The analysis of the Company's undiscounted financial liabilities which will be settled at specific maturities, based on the period remaining until the contractual maturity as of the balance sheet day 31 December 2023 and 31 December 2022:

Analysis of undiscounted financial liabilities as at 31 December 2023 [PLN '000]

Period	Warranties	Bonds	Trade, lease and other payables	Leasing	Credits	Loans	Lease liabilities
up to 1 year	2 472 844	540 983	63 115	24 452	157 460	23 086	-
1 – 3 years	-	682 264	-	19 070	-	124 828	-
3 – 5 years	-	609 992	-	13 816	-	-	-
over 5 years	-	-	-	15 870	-	-	-
Total	2 472 844	1 833 239	63 115	73 208	157 460	147 914	-

Analysis of undiscounted financial liabilities as at 31 December 2022 [PLN '000]

Period	Warranties	Bonds	Trade, lease and other payables	Leasing	Credits	Loans	Lease liabilities
up to 1 year	2 637 043	300 539	139 157	6 689	155 399	150 913	14 876
1 – 3 years	-	804 177	-	11 321	-	57 576	-
3 – 5 years	-	301 636	-	6 597	-	-	-
over 5 years	-	-	-	80 295	-	-	-
Total	2 637 043	1 406 352	139 157	104 902	155 399	208 489	14 876

The debt ratios as at 31 December 2023 and 31 December 2022, respectively, were in line with the Company's objectives.

07

Capital risk management

The aim of the Company in capital management is to protect the ability to continue as a going concern, so that it is possible to realize a return for shareholders, as well as to maintain an optimal capital structure in order to reduce its cost. Managing this risk, the Company makes decisions regarding the level of financial leverage, dividend policy, the issue of new shares or the purchase and subsequent redemption or resale of previously issued shares and the possible sale of assets in order to reduce debt.

The company monitors capital using debt ratios. This ratio is calculated as the ratio of net debt to total equity. Net debt is calculated as the sum of credits and loans (including current and long-term credits and loans shown in the balance sheet) less cash and cash equivalents. The total value of capital is calculated as equity shown in the balance sheet together with net debt.

Debt index [PLN '000]

	Note	at 31.12.2023	at 31.12.2022
Total loans, borrowings and bonds	12	1 779 119	1 768 388
Dividend liabilities	13	-	90 792
Lease liabilities	12	68 034	96 146
Cash and cash equivalents	10	(105 086)	(116 073)
Net debt		1 742 067	1 839 253
Total equity		1 030 773	1 071 311
Total capital		2 772 840	2 910 564
Debt ratio		62,83%	63,19%

The debt ratios as at 31 December 2023 and 31 December 2022, respectively, were consistent with the Company's objectives.

08

Significant contracts concluded with related entities

According to the Echo Investment S.A. Group's strategy for building shopping centres, office buildings and selected residential buildings through a separate subsidiary, a

large portion of Echo Investment's transactions is concluded with related parties.

Material agreements concluded with related entities and performed in 2023 [PLN '000]

Subject of the contract	Contractor — investor	Transaction
Strategic cooperation	Archicom S.A.	9 806
Investment project management	Echo - Arena Sp. z o.o.	10 430
Agreement on the division of investment costs, Kraków, ul. Puskarska	Archicom Projekt 139 Sp. z o.o.	4 495
Sales brokerage service	Projekt Beethovena - Projekt Echo - 122 Sp. z o.o. Sp.k.	3 932
Development management	Projekt Echo - 138 Sp. z o.o. Sp.k.	3 811
Investment preparation	R4R Warszawa Opaczewska Sp. z o.o.	3 500
Development process support	Hotel Wrocław Grabiszyńska Sp. z o.o.	3 392
Investment project management	Elektorownia RE Sp. z o.o.	3 360
Development process support	R4R Wrocław Jaworska II Sp. z o.o.	3 295
Development management	R4R Łódź Kilińskiego Sp. z o.o.	2 536
Development management	R4R Wrocław Park Zachodni Sp. z o.o.	2 507
Property management services	Galeria Libero - Projekt Echo - 120 Sp. z o.o. Sp.k.	2 189
Development process support	R4R RE Wave 4 Sp. z o.o.	2 158
Development management	R4R Poznań Nowe Miasto Sp. z o.o.	2 045
Development process support	R4R Gdańsk Stocznia Sp. z o.o.	1 998
Investment project management	12 - Projekt Echo - 127 Sp. z o.o. S.K.A.	1 883
Development process support	Hotel Kraków Romanowicza Sp. z o.o.	1 655
Investment project management	Projekt Echo - 139 Sp. z o.o.	1 590

Transactions with related entities detailed in the financial statements concern subsidiaries.

Transaction with related entities as at 31 December 2023 [PLN '000]

Affiliated entity	Sale	Purchase	Receivables	Write-downs	Liabilities
Subsidiaries	63 987	29 245	507 388	16 497	154 086
- trade	63 987	29 245	19 574	412	11 101
- loans	-	-	484 664	16 085	142 985
- bonds	-	-	3 150	-	-
Jointly controlled entities	36 583	157	278 693	2 506	1 905
- trade	36 583	157	15 193	2 506	1 905
- loans	-	-	263 500	-	-
Owners	-	18 544	-	-	-
- trade	-	18 544	-	-	-
The company's management	-	-	-	-	14 769
- motivational program	-	-	-	-	14 769
Total	100 570	47 946	786 081	19 003	170 760

Write-down on assets resulting from transactions with related entities - as at 31 December 2023 its value amounted to PLN 19,003 thousand.

Transactions with related entities as at 31 December 2022 [PLN '000]

Affiliated entity	Sale	Purchase	Receivables	Write-downs	Liabilities
Subsidiaries	281 698	22 194	863 062	27 638	72 452
- trade	281 698	22 194	32 898	175	-
- loans	-	-	766 007	27 429	57 576
- bonds	-	-	64 157	34	-
- option reserve for a share-based bonus	-	-	-	-	14 876
Jointly controlled entities	26 510	2	311 865	2 322	-
- trade	26 510	2	7 880	2 322	-
- loans	-	-	303 985	-	-
Owners	-	18 540	-	-	-
- trade	-	18 540	-	-	-
The company's management	-	-	-	-	4 330
- trade	-	-	-	-	-
- motivational program	-	-	-	-	4 330
Total	308 208	40 736	1 174 927	29 960	76 782

09

Significant events after the balance sheet day

Bonds and shares

Bonds and shares • Profit and dividend • Projects

Issue of public bonds by Echo Investment for individual investors

The S and S2-series ordinary bearer bonds are registered with Krajowy Depozyt Papierów Wartościowych S.A.

The S-series bonds (PLECHPS00399) and S2 (PLECHPS00399) are listed in the continuous trading system on the Catalyst main market operated by the Warsaw Stock Exchange.

The money raised will be spent on business development and rollover of the company's debt maturing in 2024.

The bonds public offering was carried out on the basis of the prospectus approved by the Polish Financial Supervision Authority on 19 June 2023 and supplements to the prospectus.

PLN 70 million

value of series S and S2 of bonds issued by Echo Investment for individual investors in 2024 under the V established program of bond issue for individual investors of up to PLN 300 million or its equivalent in EUR

Series	S	S2
Data of issued	31.01.2024	20.03.2024
Value	PLN 70 mln	PLN 70 mln
Maturity	4 years	4 years
Interest	WIBOR 6M + margin 4%	WIBOR 6M + margin 4%
Offering agent	Consortium: 1) Biuro Maklerskie of PKO Bank Polski 2) Michael / Ström Dom Maklerski Spółka Akcyjna 3) Noble Securities Spółka Akcyjna	Consortium: 1) Biuro Maklerskie of PKO Bank Polski 2) Michael / Ström Dom Maklerski Spółka Akcyjna 3) Noble Securities Spółka Akcyjna

Issue of public bonds by Echo Investment for institutional investors (in PLN)

The 4I-series bonds (PLO017000103) are not secured and will be listed to introduction to trading in the alternative trading system operated by the Warsaw Stock Exchange S.A.

The money raised will be spent on rollover part of the company's debt under bonds maturing in 2024 and 2025.

Series	4I/2024
Data of issued	27.02.2024
Value	PLN 100 mln
Maturity	5 years
Interest	WIBOR 6M + margin 4.5%
Offering agent	Ipopema Securities S.A.

The 4I/2024-series bonds public offering was carried out based on the agreement approved Ipopema Securities S.A. registered in Warsaw, under the Company's bond issue program up to PLN 500 million from 2022, increased to PLN 1 billion by an annex of 25 October 2023.

PLN 100 million

value of series 4I-series of bonds issued by Echo Investment for individual investors in 2024 under the established program of bond issue for individual investors of up to PLN 1 billion or its equivalent in EUR

At the same time, in connection with the process of issuing series 4I bonds, the Company purchased the following bonds for redemption:

Emitent	Series	ISIN code	Maturity date	Nominal value
Echo Investment S.A.	1P/2021	PLO017000053	22.10.2024	PLN 16 mln
Echo Investment S.A.	1/2021	PLO017000046	17.03.2025	PLN 12 mln
Echo Investment S.A.	2/2021	PLO017000061	10.11.2025	PLN 72 mln

All purchased bonds are registered in the National Depository of Securities.

PLN 100 million

value of bonds redeemed by Echo Investment Group in 2024

Dividend advance payment

On 27 November 2023, the Management Board of Archicom S.A., in view of the approval by the Ordinary General Meeting of the Company's financial statements for the 2022 financial year, which showed a profit, and in view of the audit of the Company's financial statements for H1 2023 by the auditor, which also showed a profit,

decided to conditionally pay the Company's shareholders an advance towards the expected dividend for the 2023 financial year, in the total amount of PLN 26,908,179.78, i.e. in the amount of PLN 0.46 per share.

The advance payment was made on 19 January 2024.

Projects

Echo Investment has finalized the construction of the Brain Park office complex.

At the outset of 2024, Echo Investment successfully obtained the occupancy permit for the second phase of its development project in the heart of Krakow. Situated at

the intersection of Pokoju Avenue and Fabryczna Street, the Brain Park has introduced 43,000 sq m of total floor space to the regional market.

Conclusion of significant agreements on the establishment of a joint venture to construct purpose-built student housing

On 6 March 2024, Echo Investment S.A. entered into a transaction with Signal Alpha 3 R1 S.à r.l. regarding the establishment of a joint venture, under which the parties will develop projects for the construction of student housing in Poland.

Echo Investment S.A. intends to engage up to EUR 31.3 million in the venture. The assumed time frame for the

implementation of the venture will be from 3 to 5 years. The assumed number of beds to be provided as part of the venture will be at least 5,000. The assumed proportions of the venture's financing sources will be (i) 40 percent-50 percent - financing from the parties; (ii) the remaining 60 percent - 50 percent - debt.

10

Remuneration of the Management Board and Supervisory Board

Remuneration of the Management Board [PLN]

	2023					2022				
	From Echo Investment S.A.		From subsidiaries, joint-ventures and associates	Other benefits	Total	From Echo Investment S.A.		From subsidiaries, joint-ventures and associates	Other benefits	Total
	Basic remuneration	Bonus				Basic remuneration	Bonus			
Nicklas Lindberg	1 363 506	437 495	3 471 149	46 131	5 318 281	1 407 305	793 349	2 566 960	658 414	5 426 028
Maciej Drozd	508 386	219 260	1 560 049	50 931	2 338 626	538 285	422 829	1 334 915	42 350	2 338 379
Artur Langner	240 000	172 920	861 840	5 962	1 280 722	240 000	208 373	932 747	6 019	1 387 139
Rafał Mazurczak	306 000	255 952	1 059 693	14 424	1 636 069	306 000	260 100	1 066 932	12 220	1 645 252
Małgorzata Turek	306 000	223 380	958 820	6 562	1 494 762	306 000	252 450	1 004 550	5 419	1 568 419
Total	2 723 888	1 309 007	7 911 551	124 010		2 797 590	1 937 101	6 906 104	724 422	
Total in year					12 068 460					12 365 217

The long-term incentive program of the CEO and CFO



On 21 July 2021, Echo Investment S.A. entered into contracts with Nicklas Lindberg, the CEO of the Company and Maciej Drozd, the CFO specifying the terms of additional incentive compensation in the form of a long-term bonus. Such additional compensation conforms with the Remuneration Policy.

Nicklas Lindberg and Maciej Drozd obtained the right to a long-term bonus. The amount of it will depend on the

growth in the Company's goodwill measured by the aggregate amount of dividend and the growth in the share price on the Warsaw Stock Exchange in annual evaluation periods.

The contracts define the rules of determining the amount of the long-term bonus based on the growth in the average six-month price of the Company's shares calculated for one-year periods, increased by the dividend disbursed

by the Company above the initial value of a Company share determined at PLN 4.34 per share. The right to the longterm bonus will be acquired in annual periods over the term of the program, i.e., from 1 January 2020 to 31 December 2024, unless a material change in the shareholding structure of the Company occurs earlier. The amount of the longterm bonus depends on the growth in the value of the Company's shares, provided that the amount of the long-term bonus (the "base value") does not exceed EUR 10 million for Nicklas Lindberg and EUR 5 million for Maciej Drozd if at the end of the five-year period the growth in the average six-month price of the Company's shares increased by the dividend disbursed during the term of the program exceeds the amount of the initial quotation of the Company's shares by PLN 5.80, i.e., if the aggregate amount of the disbursed dividend increased by the average six-month price of the Company's shares reaches the amount of PLN 10.14 per share. In case of a material change in the shareholding structure of the Company, in lieu of the average six-month price of the Company's shares, the basis for the calculation of the long-term bonus will be the price received for the Company's shares calculated on the basis of the price indicated in the transaction resulting in such material change in the shareholding structure.

The duration of the program may be extended by a two years (to a seven-year total), i.e., until 31 December 2026;

Extension of the Long-Term Bonus program

On 15 June 2022, Echo Investment S.A. entered into contracts with Rafał Mazurczak and Małgorzata Turek, members of the company's management board and Waldemar Olbryk, president of the management board of Archicom S.A., the subsidiary of the Company specifying the terms of additional incentive compensation in the form of a long-term bonus. Such additional compensation conforms with the Remuneration Policy.

Under the contracts, Rafał Mazurczak, Małgorzata Turek and Waldemar Olbryk obtained the right to a long-term bonus. The amount of it will depend on the growth in the Company's goodwill measured by the aggregate amount of dividend and the growth in the share price on the Warsaw Stock Exchange in annual evaluation periods.

The contracts define the rules of determining the amount of the long-term bonus based on the growth in the average six-month price of the Company's shares calculated for one-year periods, increased by the dividend disbursed by the Company above the initial value of a Company share determined at PLN 4.07 per share. The right to the longterm bonus will be acquired in annual periods over the term of the program, i.e., from 31 December 2022

in such case the maximum amount of the long-term bonus will be 125 percent of the base value if the average six-month price of the Company's shares increased by the dividend disbursed during the seven-year evaluation period exceeds the base value by PLN 7.25, i.e., the aggregate amount of the disbursed dividend increased by the average six-month price of the Company's shares reaches the value of PLN 11.59 per share.

The long-term bonus is to be disbursed in the form of the Company's shares (whether existing or of a new issue) annually, at the end of the evaluation period, and should that be impracticable, it will be disbursed as a lump sum in cash at the end of the five-year term (or the seven-year term, should the former be extended) of the program. In case of a material change in the shareholding structure of the Company, the long-term bonus shall be disbursed as a lump sum upon occurrence of such event.

The Contracts also define the detailed terms of the disbursement of the longterm bonus, as well as addressing a situation where a Management Board member forfeits the right to receive the long-term bonus or a part thereof, in particular in the event of causing damage to the Company or of taking actions that breach the relevant provisions of the law or the Company's in-house regulations.

to 31 December 2025, unless a material change in the shareholding structure of the Company occurs earlier. The maximum amount of the long-term bonus (the "base value") does not exceed EUR 1 million for each of the participants if at the end of the four-year period the growth in the average six-month price of the Company's shares increased by the dividend disbursed during the term of the program exceeds the amount of the initial quotation of the Company's shares by PLN 5.60, i.e., if the aggregate amount of the disbursed dividend increased by the average six-month price of the Company's shares reaches the amount of PLN 9.67 per share. In case of a material change in the shareholding structure of the Company, in lieu of the average six-month price of the Company's shares, the basis for the calculation of the long-term bonus will be the price received for the Company's shares calculated on the basis of the price indicated in the transaction resulting in such material change in the shareholding structure.

The duration of the program may be extended by a further one years (to a five-year total), i.e., until 31 December 2026; in such case the maximum amount of the long-term bonus will be 112.5 percent of the base value

if the average six-month price of the Company's shares increased by the dividend disbursed during the five-year evaluation period exceeds the base value by PLN 6.3, i.e., the aggregate amount of the disbursed dividend increased by the average six-month price of the Company's shares reaches the value of PLN 10.37 per share.

The other rules regarding the long-term bonus program for Małgorzata Turek, Rafał Mazurczak and Waldemar Ol-

bryk are the same as in the case of Nicklas Lindberg and Maciej Drozd.

As at 30 June 2023, the Company recognized a provision in the amount of PLN 14,768,704 for a management bonus based on the share price. The change in the amount of the provision in H1 2023 increased the financial result of the Company by PLN 10,439,106 gross. These amounts are not included in the table above.

Agreements concluded between the company and members of the management

In 2023 and as at the date of publication of the report, there were no agreements concluded between the Company and executives, providing for compensation in case

of their resignation or dismissal from their position without an important reason, or if their dismissal occurs due to a merger of Echo Investment S.A. or due to an acquisition.

Remuneration of the Supervisory Board [PLN]

	2023			2022		
	From Echo Investment S.A.	From subsidiaries, joint-ventures and associates	Other benefits	From Echo Investment S.A.	From subsidiaries, joint-ventures and associates	Other benefits
Noah M. Steinberg	240 000	-	-	240 000	-	-
Tibor Veres	84 000	-	-	84 000	-	-
Margaret Dezse	180 000	-	-	180 000	-	-
Maciej Dyjas	60 000	-	-	60 000	-	-
Sławomir Jędrzejczyk	180 000	-	-	180 000	-	-
Péter Kocsis	60 000	-	-	60 000	-	-
Bence Sass	60 000	-	-	60 000	-	-
Nebil Senman	60 000	-	-	60 000	-	-
Total	924 000	-	-	924 000	-	-

Agreements concluded with an auditor

The Supervisory Board of Echo Investment S.A., upon the recommendation of the Audit Committee, has selected Pricewaterhousecoopers Polska Sp. z o.o. Audyt Sp.k. based in Warsaw, ul. Polna 11, registered as number 144 in the list of expert auditors to audit separate financial reports of Echo Investment and consolidated financial reports of the Echo Investment Capital Group for the years 2022-2023. The agreement was concluded by the Management Board, based on the Supervisory Board's authorisation.

The Management Board of Echo Investment S.A. informs that the selection of the auditing company conducting the audit of the annual financial statements was made in accordance with the Polish regulations, including on the basis of the applicable policy and procedure for selection of the auditing company [adopted by the Audit Committee on 23 March 2018].

The auditing company and the members of the team conducting the audit met the conditions for preparing

an unbiased and independent report on the audit of the annual financial statements in accordance with the applicable regulations, professional standards and professional ethics.

Echo Investment S.A. complies with the existing regulations related to rotation of the auditing company and the key statutory auditor, as well as prevailing mandate periods. Echo Investment S.A. has a policy with respect to the selection of the auditing company and a policy with respect to providing services to the issuer by the auditing company, any entity related to the auditing company or a member of its network of additional non-auditing services, including services which are conditionally excluded from the ban on such services by the auditing company. The auditing company selection policy and procedure and the non-auditing services purchase policy are available on the Company's website under Investor relations / Strategy and corporate governance and were adopted by resolutions of the Audit Committee of 15 September 2022 and 2 February 2023, respectively.

The net remuneration due to the auditor entitled to audit financial reports of the company and the group

Title	Contractual amount [PLN]
Review of the standalone and consolidated financial statements for the 1st half-year 2023	150 000
Additional audit of the standalone financial statement for the 1st half-year 2023	105 000
Audit of the standalone and consolidated financial statements for 2023	840 000
Audit statements of remuneration for 2023	30 000
Total	1 125 000

Nicklas Lindberg

President of the Board, CEO

Maciej Drozd

Vice-President of the Board, CFO

Artur Langner

Vice-President of the Board

Rafał Mazurczak

Member of the Board

Małgorzata Turek

Member of the Board

Anna Gabryszewska-Wybraniec

Chief Accountant



The document
is signed with
qualified electronic
signature

Kielce, 27 March, 2024

CHAPTER 4

Statement of the Management Board



The Management Board of Echo Investment S.A. declares that, to the best of its knowledge, the Annual Standalone Financial Statements of Echo Investment S.A. for 2023 and comparative data have been presented in compliance with the applicable accounting principles, and that they reflect in a true, reliable and transparent manner the economic and financial situation of Echo Investment S.A. and its financial result.

The management report on operations of the Echo Investment S.A. provides a true view of the development and achievements and standing, including the description of major threats and risks.

Nicklas Lindberg

President of the Board, CEO

Maciej Drozd

Vice-President of the Board, CFO

Artur Langner

Vice-President of the Board

Rafał Mazurczak

Member of the Board

Małgorzata Turek

Member of the Board



The document is signed with qualified electronic signature

Kielce, 27 March, 2024

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ECHO
investment