

2022

Standalone Annual Report of Echo Investment S.A.



Pic. Warsaw Breweries

ECHO
investment

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Standalone financial statements of Echo Investment S.A. in 2022



Pic. Lobby in the Face2Face office building in Katowice

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 2022 and comparative data for the 12-month period ending on 31 December 2021. 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. The composition of the Management Board and Supervisory Board of the Company is presented in the Management Report and in the Statement of the Corporate Governance Principles.

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 2022. 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 net working capital (current assets less current liabilities) for Echo Investment S.A. as at 31 December 2022 is positive in the amount of PLN 140 million.

Approval of financial statements

The Company drew up the Separate Financial Statement for the year ended 31 December 2022, which was approved for publication on 29 March 2023. 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



Pic. Lobby in the MidPoint71 office building in Wrocław

Standalone statement of financial position

Standalone statement of financial position [PLN '000]

| | Note | 31.12.2022 | 31.12.2021 |
|---|------|------------------|------------------|
| Assets | | | |
| Non-current assets | | | |
| Intangible assets | 1 | 4 807 | 2 375 |
| Property, plant and equipment | 2 | 41 952 | 44 078 |
| Investment property | 3 | 445 | 445 |
| Investments in subsidiaries, jointly controlled | 4 | 1 551 065 | 1 487 983 |
| Long-term financial assets | 5 | 12 409 | 48 810 |
| Loans granted | 6 | 502 672 | 1 379 100 |
| Derivative financial instruments | 7 | 26 251 | 18 922 |
| Lease receivables | 8 | 38 546 | 39 182 |
| | | 2 178 147 | 3 020 895 |
| Current assets | | | |
| Inventory | 9 | 119 441 | 307 479 |
| Current tax assets | 10 | 2 154 | 2 234 |
| Other taxes receivable | 10 | 1 183 | 8 134 |
| Trade and other receivables | 10 | 69 182 | 47 818 |
| Short-term financial assets | 5 | 64 157 | 62 551 |
| Loans granted | 11 | 567 908 | 262 |
| Other financial assets* | 12 | - | 2 404 |
| Cash and cash equivalents | 12 | 116 073 | 74 239 |
| | | 940 098 | 505 121 |
| Total assets | | 3 118 245 | 3 526 016 |

* Mainly cash in escrow accounts paid by residential clients

Standalone statement of financial position [PLN '000]

| | Note | 31.12.2022 | 31.12.2021 |
|-------------------------------------|------|------------------|------------------|
| Equity and liabilities | | | |
| Share capital | 13 | 20 635 | 20 635 |
| Supplementary capital | 13 | 704 295 | 704 295 |
| Dividend fund | 13 | 296 169 | 413 912 |
| Profit / (loss) from previous years | | (50 000) | (14 000) |
| Net profit | | 100 212 | 27 842 |
| | | 1 071 311 | 1 152 684 |
| Long-term liabilities | | | |
| Loans, borrowings and bonds | 14 | 1 161 537 | 1 332 786 |
| - including from subsidiaries | | 57 576 | 226 438 |
| Long-term provisions | | - | - |
| Deffered income tax provison | 14 | 12 396 | 16 677 |
| Deposits and advances received | 14 | 2 737 | 1 243 |
| Lease liabilities | 14 | 65 353 | 70 778 |
| Derivative financial instruments | 14 | - | 6 970 |
| Other liabilities | 14 | 4 558 | 9 059 |
| | | 1 246 581 | 1 437 513 |
| Short-term liabilities | | | |
| Loans, borrowings and bonds | 16 | 606 851 | 621 479 |
| - including from subsidiaries | | 150 913 | 105 874 |
| Income tax payable | 15 | 5 | 23 |
| Other taxes liabilities | 15 | 1 831 | 8 689 |
| Trade payable | 15 | 20 137 | 21 824 |
| Deposits and advances received | 15 | 9 788 | 188 693 |
| Lease liabilities | 15 | 30 793 | 62 598 |
| Short-term provision | 17 | 11 928 | 7 856 |
| Other liabilities | 15 | 119 020 | 24 657 |
| | | 800 353 | 935 819 |
| Total equity and liabilities | | | |
| | | 3 118 245 | 3 526 016 |

Standalone profit and loss account

Standalone profit and loss account [PLN '000]

| | Note | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|--|------|--------------------------|--------------------------|
| Revenue | 19 | 353 735 | 437 722 |
| Cost of sales | 20 | (237 673) | (328 394) |
| Gross profit | | 116 062 | 109 328 |
| Profit / (loss) on investment property | | - | 1 333 |
| Administrative costs associated with project implementation | | (22 844) | (14 900) |
| Selling expenses | 20 | (18 698) | (19 583) |
| General and administrative expenses | 20 | (73 599) | (87 640) |
| Other operating income | 21 | 283 816 | 136 215 |
| - including interests and amortised costs (SCN) from borrowings and bond | | 83 984 | 48 304 |
| Other operating expenses | 21 | (30 590) | (19 506) |
| Operating profit | | 254 147 | 105 247 |
| Financial income | 22 | 8 017 | 13 578 |
| Financial cost | 22 | (162 452) | (86 390) |
| Profit before tax | | 99 712 | 32 435 |
| Income tax | 23 | 500 | (4 593) |
| Net profit | | 100 212 | 27 842 |
| Net profit | | 100 212 | 27 842 |
| Weighted average number of ordinary shares | | 412 690 582 | 412 690 582 |
| Profit per one ordinary share (PLN) | | 0,24 | 0,07 |
| Diluted weighted average number of ordinary shares | | 412 690 582 | 412 690 582 |
| Diluted profit per one ordinary share (PLN) | | 0,24 | 0,07 |

Standalone statement of financial result and other comprehensive income

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

| | Note | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|--|------|--------------------------|--------------------------|
| Net profit | | 100 212 | 27 842 |
| Other comprehensive income | | - | - |
| Other comprehensive income, net of tax | | - | - |
| Total comprehensive income | | 100 212 | 27 842 |
| Total earnings per common share | | 0,24 | 0,07 |

Standalone statement of changes in equity

Standalone statement of changes in equity [PLN '000]

| | Share capital | Supplementa- ry capital | Dividend fund | Profit (loss) from previous years | Profit for the current year | Own equity attributable to sharehol- ders - total |
|--|---------------|----------------------------|----------------|---|--------------------------------|--|
| As at 1 January 2022 | 20 635 | 704 295 | 413 912 | 13 842 | | 1 152 684 |
| Changes during the period: | | | | | | |
| Distribution of the result from previous years | | - | 13 842 | (13 842) | - | - |
| Dividend paid* | | | (90 793) | | - | (90 793) |
| Dividend approved for payment** | | | (40 792) | | (50 000) | (90 792) |
| Net profit for the period | - | - | - | - | 100 212 | 100 212 |
| Total changes | - | - | (117 743) | (13 842) | 50 212 | (81 373) |
| As at 30 June 2022 | 20 635 | 704 295 | 296 169 | - | 50 212 | 1 071 311 |
| As at 1 January 2022 | 20 635 | 1 054 295 | 186 051 | 57 825 | - | 1 318 806 |
| Changes during the period: | | | | | | |
| Distribution of the result from previous years | - | (350 000) | 350 000 | - | - | - |
| Dividend paid* | - | | (122 139) | (57 825) | (14 000) | (193 964) |
| Dividend approved for payment | | | | | | - |
| Net profit for the period | - | - | - | - | 27 842 | 27 842 |
| Changes in total | - | (350 000) | 227 861 | (57 825) | 13 842 | (166 122) |
| As at 31 December 2021 | 20 635 | 704 295 | 413 912 | - | 13 842 | 1 152 684 |

* The Ordinary General Meeting of Shareholders of Echo Investment S.A. was held on 15 June 2022. The shareholders adopted a resolution to allocate the profit generated in 2021. The net profit of PLN 28 million, plus the amount of PLN 154 million from the Dividend Fund - a total of PLN 182 million - was allocated for distribution to all shareholders of the Company. The dividend amount per share was PLN 0.44. The amount of PLN 90.8 million, or PLN 0.22 per share, was paid on 28 December 2021 as an advance dividend. The remaining part of the dividend was paid on 26 July 2022.

** On 23 December 2022 Management Board of Echo Investment S.A. adopted a resolution on the conditional payment of an advance on future dividend for the financial year 2022. The dividend advance amounted to PLN 90.8 million, i.e. PLN 0.22 per share, and will be paid by the Company on 2 February 2023.

Standalone cash flow statement

Standalone statement of cash flow [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|--|--------------------------|--------------------------|
| Operating cash flow — indirect method | | |
| I. Profit before tax | 99 712 | 32 435 |
| II. Adjustments | (93 457) | (33 217) |
| Depreciation | 10 024 | 9 806 |
| Foreign exchange profits / (losses) | 1 889 | (12 590) |
| Interest and profit sharing (dividends) | (133 421) | (32 871) |
| Profit / (loss) on revaluation of assets and liabilities | 27 556 | 12 784 |
| Profit (loss) on sale of fixed assets and investment properties | (82) | (10 346) |
| Profit / (loss) on the realization of financial instruments | 577 | - |
| III. Changes in working capital | (43 123) | 59 663 |
| Change in provisions | 4 072 | (3 448) |
| Change in inventory | 157 649 | (64 728) |
| Change in receivables | 15 884 | 28 606 |
| Change in short-term liabilities, except for loans and borrowings | (223 132) | 59 193 |
| Change in restricted cash | 2 404 | 40 040 |
| IV. Net cash generated from operating activities (I +/- II +/- III) | (36 868) | 58 881 |
| V. Income tax paid | (3 718) | (9 463) |
| VI. Net cash generated from operating activities (IV+/-V) | (40 586) | 49 418 |
| Cash flows from investing activities | | |
| I. Inflows | 910 253 | 1 338 599 |
| Disposal of intangible assets and PP&E | - | 11 |
| Sale of investments in property | - | 2 100 |
| From financial assets, including: | 910 253 | 1 336 488 |
| a) in affiliated entities | 910 253 | 1 336 488 |
| - disposal of financial assets | 47 000 | - |
| - dividends and profit sharing | 170 108 | 54 555 |
| - repayment of loans granted | 649 739 | 1 212 588 |
| - interest | 43 406 | 44 358 |
| - redemption of certificates | - | 702 |

Standalone statement of cash flow [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|---|--------------------------|--------------------------|
| - other inflows from financial assets | - | 24 285 |
| II. Outflows | (357 176) | (1 196 173) |
| Purchase of intangible assets and PP&E | (6 705) | (3 064) |
| On financial assets, including: | (213 721) | (1 193 109) |
| a) in affiliated entities | (213 721) | (1 193 109) |
| - acquisition of financial assets | (17) | (267 196) |
| - loans granted | (213 704) | (925 913) |
| Other investment outflows | (136 750) | - |
| Net cash flow from investment activities | 553 077 | 142 426 |
| Net cash flow from financing activities (I — II) | | |
| I. Wpływy | 233 234 | 745 009 |
| Loans and borrowings | 822 | 378 009 |
| Issue of debt securities | 225 000 | 367 000 |
| Other investment inflows | 7 412 | - |
| II. Outflows | (703 891) | (970 051) |
| Purchase of own shares | - | - |
| Dividends and other payments to equity holders | (90 792) | (193 965) |
| Outflows on profit distribution other than payments to owners | - | - |
| Repayment of loans and borrowings | (166 712) | (219 912) |
| Redemption of debt securities | (301 410) | (469 286) |
| Due to other financial liabilities | (144) | (785) |
| Payments of liabilities under lease contracts | (13 221) | (9 704) |
| Interests | (120 244) | (73 952) |
| Other investment outflows | (11 368) | (2 447) |
| Net cash flow from financing activities | (470 657) | (225 042) |
| Total net cash flows | 41 834 | (33 198) |
| Balance sheet change in cash, including: | 41 834 | (33 198) |
| - change in cash due to foreign exchange gains/losses | | |
| Cash and cash equivalents at the beginning of the period | 74 239 | 107 437 |
| Cash and cash equivalents at the end of the period | 116 073 | 74 239 |

CHAPTER 2

Explanatory notes



Pic. CitySpace in the MidPoint71 office building in Wrocław

Explanatory notes to the standalone statement of financial position

NOTE 1A

Intangible assets [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|--|--------------|--------------|
| Acquired concessions, patents, licenses and similar assets, including: | 770 | 1 619 |
| - computer software | 770 | 703 |
| Intangible assets under construction | 4 037 | 756 |
| Total intangible assets | 4 807 | 2 375 |

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 2021.

NOTE 1B

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

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

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,
- other intangible assets: not delivered for use, are not depreciated as at 31 December 2022.

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

| For the period 1.01.2021 — 31.12.2021 | Purchased permits, patents, licences and similar assets | | Total intangible assets |
|--|---|---------|-------------------------|
| | Software | Other | |
| Gross value of PP&E at the beginning of the period | 8 812 | 2 710 | 11 522 |
| Increases | 1 040 | - | 1 040 |
| Gross PP&E at the end of the period | 9 852 | 2 710 | 12 562 |
| Accumulated depreciation at the beginning of the period | (7 074) | (1 794) | (8 868) |
| Depreciation for the period | (2 075) | - | (2 075) |
| - planned | (2 075) | - | (2 075) |
| Accumulated depreciation at the end of the period | (9 149) | (1 794) | (10 943) |
| Net amount of intangible assets at the end of the period | 703 | 916 | 1 619 |

NOTE 2A

Property, plant and equipment [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|---|------------|------------|
| PP&E, including: | 41 952 | 42 500 |
| - land | 88 | 90 |
| - buildings, premises, civil and water engineering structures | 32 917 | 34 912 |
| - plant and machinery | 22 | 87 |
| - means of transport | 7 102 | 6 573 |
| - other PP&E | 1 823 | 838 |
| PP&E under construction | - | 1 578 |
| Total property, plant and equipment | 41 952 | 44 078 |

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 1.01.2022 — 31.12.2022 | Own land | Buildings and structures | Technical equipment | Means of transport | Other PP&E | Total PP&E |
|--|-------------|--------------------------|---------------------|--------------------|----------------|-----------------|
| 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 the 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 the inventory | - | 61 | 1 435 | - | 465 | 1 961 |
| Decreases | - | - | - | 2 973 | - | 2 973 |
| - due to lease | - | - | - | 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 |

There are no contractual obligations incurred in connection with the purchase of tangible fixed assets.

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

| For the period 1.01.2021 — 31.12.2021 | Own land | Buildings and structures | Technical equipment | Means of transport | Other PP&E | Total PP&E |
|--|-------------|--------------------------|---------------------|--------------------|----------------|-----------------|
| Gross value of PP&E at the beginning of the period | 193 | 23 201 | 3 499 | 10 952 | 3 557 | 41 401 |
| Increases | - | 24 199 | 22 | 4 513 | 1 676 | 30 410 |
| - due to purchase | - | 346 | 22 | - | 1 676 | 2 044 |
| - due to lease | - | 23 853 | - | 4 513 | - | 28 366 |
| Decreases | (93) | (4 191) | (88) | (2 772) | (1 128) | (8 272) |
| - due to liquidation | - | - | (2) | - | (310) | (312) |
| - due to lease | - | (3 839) | - | (2 227) | - | (6 066) |
| - due to sale | (93) | (352) | (86) | (545) | (818) | (1 894) |
| Gross PP&E at the end of the period | 100 | 43 209 | 3 433 | 12 693 | 4 105 | 63 539 |
| Accumulated depreciation at the beginning of the period | (13) | (8 178) | (3 392) | (6 152) | (3 327) | (21 061) |
| Depreciation for the period | 3 | (119) | 46 | 32 | 60 | 22 |
| - due to depreciation | (2) | (256) | (41) | - | (950) | (1 249) |
| - due to sale | 5 | 32 | 85 | 545 | 767 | 1 434 |
| - due to lease | - | 87 | - | (513) | - | (426) |
| - due to liquidation | - | 18 | 2 | - | 243 | 263 |
| Accumulated depreciation at the end of the period | (10) | (8 297) | (3 346) | (6 120) | (3 267) | (21 039) |
| Net value of fixed assets at the end of the period | 90 | 34 912 | 87 | 6 573 | 838 | 42 500 |
| - including asset on usufruct | - | 31 622 | - | 6 573 | - | 38 195 |

NOTE 3A

Changes in investment property [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|--|--------------------------|--------------------------|
| Value of property investments at the beginning of the period | 445 | 2 212 |
| Decreases | - | (1 767) |
| - due to sales | - | (1 767) |
| Value of property investments at the end of the period | 445 | 445 |

The Company presents investment properties at the moment of their posting to the books at purchase price / production cost. After the initial posting, the Company measures properties at fair value at the end of each calendar quarter.

Profit/loss on valuation is disclosed under "Profit/loss on investment property" in the profit and loss account.

The fair value was determined using a market comparison model based on current market prices. In the hierarchy of fair value for investment properties, the Company assigned level 3.

The Company has no collateral established on investment properties. The Company has no contractual obligations as at 31 December 2022.

NOTE 3B

Investment property — influence on the result [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|--|--------------------------|--------------------------|
| Revenue from investment property rents | 9 | 9 |

NOTE 4A

Interests and shares [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|--|------------------|------------------|
| Investments in subsidiaries and joint ventures | | |
| - in subsidiaries | 1 322 602 | 1 372 808 |
| - in joint ventures | 228 463 | 115 175 |
| Total interests and shares | 1 551 065 | 1 487 983 |

In accordance with IAS 36, when assessing the existence of premises indicating the possibility of impairment of assets related to the Archicom Group, the Board of Directors analyzed the premise that the carrying amount of net assets of the reporting entity is higher than their market capitalization.

As at 31 December 2022, the Company conducted an impairment test for Archicom (indirectly through DKR and DKRA), using the discounted cash flow method (DCF) based on the financial plan covering the years 2023 - 2027 for the Archicom S.A. Group.

The analysis takes into account the basic cash flows resulting mainly from the sale of apartments and the City Space 2 office building, as well as the construction costs of development projects.

For the purpose of impairment testing, the assumptions below were made: the basis for determining the recoverable amount is the cash-generating unit,

- the cash-generating unit is Archicom S.A. Group
- the weighted average cost of capital (WACC) was determined at the level of 16.68 percent,
- the test is based only on projects present in the portfolio as at the valuation date, it does not include any new land acquisitions,
- the model assumes reduced marketing costs along with a reduced sales offer over the years,

- no assumption of dividend payments (any payments should be neutral for the test),
- no assumption of new financing and repayment of current financing to the level of 30 percent of assets since no new purchases are expected,
- the cash flow projection period was established for 5 years starting from 1 January 2023.

The Company conducted a sensitivity analysis to changes in the basic assumptions adopted for the impairment test of the Archicom Group. The impact of increasing and decreasing the discount rate (WACC) is presented below, using the following assumptions:

- discount rate – for the purpose of sensitivity analysis, the Group's value was verified with a reduction and increase of the discount rate by: -1.5 percent, -1 percent, +1 percent, respectively, and 1.5 percent.

DCF sensitivity analysis when changing WACC [PLN]

| | 31.12.2022 |
|--|------------|
| Share value/discount rate 16.68% | 773,61 |
| Share value including a decrease in the discount rate by -1.5% | 792,18 |
| Share value including a decrease in the discount rate by -1% | 785,89 |
| Share value including a decrease in the discount rate by +1% | 761,73 |
| Share value including a decrease in the discount rate by +1.5% | 750,21 |

In the opinion of the Management Board, taking into account the projects of the Archicom Group under construction and

preparation, as at 31 December 2022, there are no grounds for making write-offs due to impairment of assets.

NOTE 4B

Changes in interests and shares [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|------------------------------------|--------------------------|--------------------------|
| Opening balance, including: | 1 487 983 | 1 073 287 |
| - shares and interests | 1 487 983 | 1 073 287 |
| Increases | 115 063 | 467 198 |
| - due to purchase of interests | 16 | 456 195 |
| - due to capital increase | 115 047 | 11 003 |
| Decreases | (51 981) | (52 502) |
| - due to sale of interests | (1 251) | (19 215) |
| - due to capital decrease | (47 000) | (13 950) |
| - due to liquidation of entity | (2 894) | (729) |
| - due to write—down on assets | (836) | (18 608) |
| Closing balance, including: | 1 551 065 | 1 487 983 |
| - shares and interests | 1 551 065 | 1 487 983 |

Changes in the Echo Investment Group in 2022

Acquisition of shares

| Company | Value [PLN '000] |
|-----------------------------------|---------------------|
| Symetris - Pe-131 Sp.k. | 6 |
| Projekt 139 - GE Sp. z o.o. Sp.k. | 5 |
| Projekt Echo 123 Sp. z o.o. | 5 |

Sale of shares

| Company | Value [PLN '000] |
|--------------------------------------|---------------------|
| Echo - Nowy Mokotów Sp. z o.o. Sp.k. | 1 251 |

Capital increase

| Company | Value [PLN '000] |
|---------------------------------|---------------------|
| Rosehill Investments Sp. z o.o. | 108 652 |
| R4R Poland Sp. z o.o. | 4 635 |
| Projekt Echo 111 Sp. z o.o. | 1 000 |
| Selmer Investments Sp. z o.o. | 150 |
| Projekt Echo 144 Sp. z o.o. | 150 |
| Projekt Echo 121 Sp. z o.o. | 120 |
| Projekt Echo 145 Sp. z o.o. | 100 |
| Projekt Echo 142 Sp. z o.o. | 90 |
| Projekt Echo 143 Sp. z o.o. | 90 |
| Projekt Echo 108 Sp. z o.o. | 60 |

Contribution reduction

| Company | Value [PLN '000] |
|--------------------------|---------------------|
| Projekt Echo - 136 Sp.K. | 47 000 |

Liquidation

| Company | Value [PLN '000] |
|--|---------------------|
| Park Postępu - GE Sp. z o.o. S.K.A. | 1 456 |
| 53 - GE Sp. z o.o. S.K.A. | 1 316 |
| Babka Tower - Pe 93 Sp. z o.o. Sp.k. | 68 |
| Echo - Galaxy Sp. z o.o. | 51 |
| Bełchatów GE Sp. z o.o. S.K.A. | 3 |
| Echo - Babka Tower Sp. z o.o. | - |
| Projekt Echo 119 Sp. z o.o. | - |
| Gleann Sp. z o.o. | - |
| Shanklin Sp. z o.o. | - |
| Projekt Echo 93 Sp. z o.o. | - |
| Projekt Cs Sp. z o.o. | - |
| Projekt 14 - GE Sp. z o.o. S.K.A. | - |
| Projekt K-6 - GE S.K.A. | - |
| Projekt 14 - GE Sp. z o.o. S.K.A. | - |
| Projekt 147 - GE Sp. z o.o. Sp.k. | - |
| Projekt 13 - GE Sp. z o.o. S.K.A. | - |
| Projekt 21 - GE Sp. z o.o. S.K.A. | - |
| Malta Office Park - GE Sp. z o.o. S.K.A. | - |
| Oxygen - GE Sp. z o.o. S.K.A. | - |
| Projekt K-6 - GE S.K.A. | - |

Write-downs on interests

| Company | Value [PLN '000] |
|---|---------------------|
| PHS - Projekt CS - Sp.k. | 356 |
| Selmer Investments Sp. z o.o. | 129 |
| Projekt Echo 121 Sp. z o.o. | 100 |
| Projekt Echo 144 Sp. z o.o. | 52 |
| Projekt Echo 142 Sp. z o.o. | 51 |
| Projekt Echo 145 Sp. z o.o. | 51 |
| Galeria Tarnów - Grupa Echo Sp. z o.o. S.K.A. | 30 |
| PPR - Grupa Echo Sp. z o.o. S.K.A. | 26 |
| Malta Office Park - GE Sp. z o.o. S.K.A. | 29 |
| Babka Tower - Pe 93 Sp. z o.o. Sp.k. | 6 |
| Symetris - Pe-131 Sp.k. | 6 |

Pledges on shares

| Pledge title | The company whose stock or shares have been pledged | The value of the pledge [mln] | |
|---|---|-------------------------------|-------|
| | | [PLN] | [EUR] |
| Loan granted security for a subsidiary Galeria Libero - Projekt Echo 120 Sp. z o.o. Sp.k. by Santander Bank Polska S.A. | Projekt Echo 120 Sp. z o.o. | | 101 |
| Loan granted security for a subsidiary Galeria Libero - Projekt Echo 120 Sp. z o.o. Sp.k. by Santander Bank Polska S.A. | Projekt Echo 120 Sp. z o.o. | 18 | |
| 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 Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k. by Bank Pekao S.A. | Projekt Echo 115 Sp. z o.o. | | 131 |
| Zabezpieczenie kredytu udzielonego spółce zależnej Loan granted security for a subsidiary Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k. by Bank Pekao S.A. | Projekt Echo 115 Sp. z o.o. | 26 | |
| Loan granted security for a subsidiary Projekt Beethovena - Projekt Echo 122 Sp. z o.o. Sp. by PKO Bank Polski S.A. | Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A. | | 75 |
| Loan granted security for a subsidiary Projekt Beethovena - Projekt Echo 122 Sp. z o.o. Sp. by PKO Bank Polski S.A. | Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A. | | 75 |
| Loan granted security for a subsidiary Projekt Beethovena - Projekt Echo 122 Sp. z o.o. Sp. by PKO Bank Polski S.A. | Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A. | 24 | |
| Loan granted security for a subsidiary Projekt Beethovena - Projekt Echo 122 Sp. z o.o. Sp. by PKO Bank Polski S.A. | Projekt Echo 122 Sp. z o.o. | | 75 |
| Loan granted security for a subsidiary Projekt Beethovena - Projekt Echo 122 Sp. z o.o. Sp. by PKO Bank Polski S.A. | Projekt Echo 122 Sp. z o.o. | | 75 |
| Loan granted security for a subsidiary Projekt Beethovena - Projekt Echo 122 Sp. z o.o. Sp. by PKO Bank Polski S.A. | Projekt Echo 122 Sp. z o.o. | | 24 |
| Loan granted security for a subsidiary Projekt Beethovena - Projekt Echo 122 Sp. z o.o. Sp. by PKO Bank Polski S.A. | Projekt Echo 122 Sp. z o.o. | | 75 |
| Loan granted security for a subsidiary Projekt Beethovena - Projekt Echo 122 Sp. z o.o. Sp. by PKO Bank Polski S.A. | Projekt Echo 122 Sp. z o.o. | | 75 |
| Loan granted security for a subsidiary Projekt Beethovena - Projekt Echo 122 Sp. z o.o. Sp. by PKO Bank Polski S.A. | Projekt Echo 122 Sp. z o.o. | 11 | |
| 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 React - Dagnall Sp. z o.o. S.K.A. by BNP Paribas Bank Polska S.A. | Dagnall Sp. z o.o. | | 29 |
| Loan granted security for a subsidiary React - Dagnall Sp. z o.o. S.K.A. by BNP Paribas Bank Polska S.A. | Dagnall Sp. z o.o. | 1 | |
| 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 |

Pledges on shares

| Pledge title | The company whose stock or shares have been pledged | The value of the pledge [mln] | |
|--|--|----------------------------------|-------|
| | | [PLN] | [EUR] |
| 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 | |

NOTE 4D

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/shares 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 |

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 |
|-----|---|-------------------|---|---|---|------------------------------------|---|------------------------------------|----------------------|---|---------------------------|
| 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 |
| 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 |

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 |
|-----|---|-------------------|--|---|---|------------------------------------|---|------------------------------------|----------------------|---|---------------------------|
| 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 |
| 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 |

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 |
|-----|---|-------------------|--|---|---|------------------------------------|---|------------------------------------|--------------------|---|---------------------------|
| 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 |
| 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. | Warsaw | lease and property management | 5 | | | | 5 | 100,00% | 100,00% | none |
| 54 | Selmer Investments Sp. z o.o. | Warsaw | business and management consultancy activities | 162 | (12) | (129) | (141) | 21 | 100,00% | 100,00% | none |
| 55 | Selmer Investments Sp.k. | Warsaw | business and management consultancy activities | 15 | (15) | | (15) | - | 100,00% | 100,00% | none |
| 56 | Cornwall Investments Sp. z o.o. | Warsaw | business and management consultancy activities | 12 | (12) | | (12) | - | 100,00% | 100,00% | none |
| 57 | Gosford Investments Sp.z o.o | Warsaw | lease and property management | 5 | | | | 5 | 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 |
|-----|---|-------------------|--|---|---|------------------------------------|---|------------------------------------|----------------------|---|---------------------------|
| 58 | Fianar Investments Sp. z o.o. | Warsaw | business and management consultancy activities | 6 | (6) | | (6) | - | 100,00% | 100,00% | none |
| 59 | Doxent Investments Sp. z o.o. | Warsaw | lease and property management | 5 | | | | 5 | 100,00% | 100,00% | none |
| 60 | City Space - GP Sp. z o. o. | Warsaw | lease and property management | 137 | (137) | | (137) | - | 100,00% | 100,00% | none |
| 61 | City Space - Management Sp. z o.o. | Warsaw | business and management consultancy activities | 937 | (937) | | (937) | - | 100,00% | 100,00% | none |
| 62 | Perth Sp. z o.o. | Warsaw | lease and property management | 5 | | | | 5 | 100,00% | 100,00% | none |
| 63 | Potton Sp. z o.o. | Warsaw | lease and property management | 5 | | | | 5 | 100,00% | 100,00% | none |
| 64 | Pudsey Sp. z o.o. | Warsaw | business and management consultancy activities | 82 | | | | 82 | 100,00% | 100,00% | none |
| 65 | Seaford Sp. z o.o. | Warsaw | 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. | Warsaw | lease and property management | 10 | (10) | | (10) | - | 100,00% | 100,00% | none |
| 69 | Stranraer Sp. z o.o. | Warsaw | lease and property management | 10 | (10) | | (10) | - | 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 |
|-----|---|-------------------|--|---|---|------------------------------------|---|------------------------------------|----------------------|---|---------------------------|
| 70 | Dagnall Sp. z o.o. | Warsaw | lease and property management | 10 | (10) | | (10) | - | 100,00% | 100,00% | none |
| 70 | Strood Sp. z o.o. | Warsaw | 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 |
| 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. | Warsaw | 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 |

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 |
|---|-----------------------------------|-------------------|---|---|---|------------------------------------|---|------------------------------------|----------------------|---|---------------------------|
| 83 | PHS – Grupa Echo Sp. z o.o. Sp.k. | Warsaw | 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 | | | |
| Shares / interests in jointly controlled entities | | | | | | | | | | | |
| 1 | Rosehill Investments Sp. z o.o. | Warsaw | 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. | Warsaw | lease and property management | 2 | | | | 2 | 30,00% | 30,00% | none |
| 3 | R4R Poland Sp. z o.o. | Warsaw | lease and property management | 33 615 | | | | 33 615 | 30,00% | 30,00% | none |
| | | | | 245 680 | (17 217) | - | (17 217) | 228 463 | | | |
| Shares / shares in subsidiaries total | | | | | | | | | | | |
| | | | | 1 619 641 | (67 747) | (829) | (68 576) | 1 551 065 | | | |

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 current 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 829 thous. as at 31 December 2022 (PLN 18,608 thous. as at 31 December 2021).

The Company, in accordance with IAS 12 para. 44, analyzed an asset relating to interests in subsidiaries and does not create one due to the fact that the asset will not be reversible in the foreseeable future.

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 2021

| 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/shares in subsidiaries | | | | | | | | | | | |
| 1 | Projekt Echo 93 Sp. z o.o. | Kielce | lease and property management | 51 | (34) | (16) | (51) | - | 99,00% | 99,00% | none |
| 2 | Echo - Aurus Sp. z o.o. | Kielce | lease and property management | 199 021 | - | | - | 199 021 | 99,99% | 99,99% | none |
| 3 | 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 |
| 4 | Belchatów - Grupa Echo Sp. z o.o. S.K.A. | Kielce | lease and property management | 73 | (51) | (19) | (70) | 3 | 99,95% | 99,95% | none |
| 5 | PPR - Grupa Echo Sp. z o.o. S.K.A. | Kielce | lease and property management | 160 | (117) | (17) | (134) | 26 | 99,95% | 99,95% | none |
| 6 | Echo - SPV 7 Sp. z o.o. | Kielce | lease and property management | 189 018 | - | | - | 189 018 | 100,00% | 100,00% | none |
| 7 | Grupa Echo Sp. z o.o. | Kielce | business and management consultancy activities | 52 | (52) | | (52) | - | 100,00% | 100,00% | none |
| 8 | Kielce - Grupa Echo Sp. z o.o. S.K.A. | Kielce | lease and property management | 153 | (11) | | (11) | 142 | 99,95% | 99,95% | none |
| 9 | Echo Investment ACC - Grupa Echo Sp. z o.o. Sp.k. | Kielce | accounting and bookkeeping activities | 51 | - | | - | 51 | 99,00% | 99,00% | none |
| 10 | Malta Office Park - Grupa Echo Sp. z o.o. S.K.A. | Kielce | lease and property management | 2 469 | (2 349) | (18) | (2 367) | 102 | 99,95% | 99,95% | none |
| 11 | Echo - Arena Sp. z o.o. | Kielce | projects execution related to building construction | 1 008 | (1 008) | | (1 008) | - | 99,95% | 99,95% | none |
| 12 | Echo - Galaxy Sp. z o.o. | Kielce | projects execution related to building construction | 51 | - | | - | 51 | 99,00% | 99,00% | none |
| 13 | Echo - Opolska Biznes Park Sp. z o.o. | Kielce | lease and property management | 285 | (285) | | (285) | - | 100,00% | 100,00% | none |
| 14 | Projekt Saska Sp. z o.o. | Kielce | real estate brokerage | 20 419 | (20 419) | | (20 419) | - | 95,00% | 95,00% | none |
| 15 | Echo - Advisory Services Sp. z o.o. | Kielce | lease and property management | 100 | (100) | | (100) | - | 99,00% | 99,00% | none |

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2021

| 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 | Echo - Browary Warszawskie Sp. z o.o. | Kielce | lease and property management | 100 | (71) | (29) | (100) | - | 99,00% | 99,00% | none |
| 17 | Echo - Browary Warszawskie Sp. z o.o. Sp.k. | Kielce | lease and property management | 51 | - | | - | 51 | 100,00% | 100,00% | none |
| 18 | 53 - Grupa Echo Sp. z o.o. S.K.A. | Kielce | lease and property management | 1 316 | - | | - | 1 316 | 100,00% | 100,00% | none |
| 19 | Echo - Galaxy Sp. z o.o. S.K.A. | Kielce | lease and property management | 8 611 | (8 611) | | (8 611) | - | 99,95% | 99,95% | none |
| 20 | Galeria Tarnów - Grupa Echo Sp. z o.o. S.K.A. | Kielce | lease and property management | 576 | (68) | (18) | (86) | 490 | 99,95% | 99,95% | none |
| 21 | 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 |
| 22 | Avatar - Projekt Echo 119 Sp. z o.o. S.K.A. | Kielce | other business and management consultancy activities | 17 665 | | | | 17 665 | 99,95% | 99,95% | none |
| 23 | 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 |
| 24 | Oxygen - Grupa Echo Sp. z o.o. S.K.A. | Kielce | lease and property management | 27 | (27) | | (27) | - | 99,95% | 99,95% | none |
| 25 | Park Postępu - Grupa Echo Sp. z o.o. S.K.A. | Kielce | lease and property management | 1 587 | (130) | | (130) | 1 457 | 99,95% | 99,95% | none |
| 26 | Echo - Nowy Mokatów Sp. z o.o. | Kielce | lease and property management | 94 | (76) | | (76) | 18 | 99,90% | 99,90% | none |
| 27 | Metropolis - Grupa Echo 121 Sp. z o.o. S.K.A. | Kielce | lease and property management | 18 156 | (1 930) | (691) | (2 621) | 15 535 | 100,00% | 100,00% | none |
| 28 | Galeria Nova - Grupa Echo Sp. z o.o. S.K.A. | Kielce | projects execution related to building construction | 16 | - | | - | 16 | 100,00% | 100,00% | none |
| 29 | Echo Investment Projekt Management SRL | Brasov | property management | 4 129 | (4 129) | | (4 129) | - | 100,00% | 100,00% | none |
| 30 | Projekt Echo 99 Sp. z o.o. | Kielce | buying and selling of property on own account | 97 | (42) | (55) | (97) | - | 99,80% | 99,80% | none |

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2021

| 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 1 - Grupa Echo Sp. z o. o. S.K.A. | Kielce | lease and property management | 4 007 | (78) | | (78) | 3 929 | 99,95% | 99,95% | none |
| 32 | Projekt CS Sp. z o.o. | Kielce | other financial brokerage | 122 | (97) | (25) | (122) | - | 99,00% | 99,00% | none |
| 33 | Taśmowa - Projekt Echo 116 Sp. z o.o. S.K.A. | Kielce | lease and property management | 11 | - | (11) | (11) | - | 100,00% | 100,00% | none |
| 34 | Echo - Nowy Mokotów Sp. z o.o. Sp.k. | Kielce | buying and selling of property on own account | 1 251 | - | | - | 1 251 | 99,00% | 99,00% | none |
| 35 | Projekt Echo 108 Sp. z o.o. | Kielce | lease and property management | 65 | | (65) | (65) | - | 100,00% | 100,00% | none |
| 36 | Echo - Babka Tower Sp. z o.o. | Kielce | lease and property management | 51 | (51) | | (51) | - | 100,00% | 100,00% | none |
| 37 | Echo - Property Poznan 1 Sp. z o.o. | Kielce | other business and management consultancy activities | 197 | (197) | | (197) | - | 99,00% | 99,00% | none |
| 38 | Projekt K-6 - Grupa Echo Sp. z o.o. S.K.A. | Kielce | other business and management consultancy activities | 61 | (61) | | (61) | - | 100,00% | 100,00% | none |
| 39 | Projekt 12 - Grupa Echo Sp. z o.o. S.K.A. | Kielce | lease and property management | 25 | - | | - | 25 | 100,00% | 100,00% | none |
| 40 | Projekt 13 - Grupa Echo Sp. z o.o. S.K.A. | Kielce | lease and property management | 24 | (24) | | (24) | - | 100,00% | 100,00% | none |
| 41 | Projekt 14 - Grupa Echo Sp. z o.o. S.K.A. | Kielce | other financial brokerage | 24 | (24) | | (24) | - | 100,00% | 100,00% | none |
| 42 | Projekt 16 - Grupa Echo Sp. z o.o. S.K.A. | Kielce | real estate brokerage | 50 | - | (50) | (50) | - | 100,00% | 100,00% | none |
| 43 | Projekt 17 - Grupa Echo Sp. z o.o. S.K.A. | Kielce | real estate brokerage | 46 050 | - | | - | 46 050 | 100,00% | 100,00% | none |
| 44 | 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 |
| 45 | Face2Face - Stranraer Sp. z o.o. S.K.A. | Kielce | real estate brokerage | 50 050 | - | | - | 50 050 | 100,00% | 100,00% | none |
| 46 | Projekt 21 - Grupa Echo Sp. z o.o. S.K.A. | Kielce | real estate brokerage | 50 | (50) | | (50) | - | 100,00% | 100,00% | none |
| 47 | Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A. | Kielce | real estate brokerage | 49 050 | - | | - | 49 050 | 100,00% | 100,00% | none |

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2021

| 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 |
|-----|-----------------------------|-------------------|--|---|---|------------------------------------|---|------------------------------------|----------------------|---|---------------------------|
| 48 | Pure Systems Sp. z o.o. | Kraków | other financial service activities, except insurance and pension funding | 1 | | | | 1 | 99,90% | 99,90% | none |
| 49 | Projekt Echo 111 Sp. z o.o. | Kielce | lease and property management | 100 | (100) | | (100) | - | 99,95% | 99,95% | none |
| 50 | Projekt Echo 112 Sp. z o.o. | Kielce | lease and property management | 31 | (31) | | (31) | - | 100,00% | 100,00% | none |
| 51 | Projekt Echo 113 Sp. z o.o. | Kielce | lease and property management | 279 | (279) | | (279) | - | 100,00% | 100,00% | none |
| 52 | Projekt Echo 115 Sp. z o.o. | Kielce | lease and property management | 1 406 | (1 406) | | (1 406) | - | 99,83% | 99,83% | none |
| 53 | Projekt Echo 116 Sp. z o.o. | Kielce | lease and property management | 31 | - | (31) | (31) | - | 99,83% | 99,83% | none |
| 54 | Projekt Echo 119 Sp. z o.o. | Kielce | lease and property management | 25 | (25) | | (25) | - | 99,80% | 99,80% | none |
| 55 | Projekt Echo 120 Sp. z o.o. | Kielce | lease and property management | 424 | (424) | | (424) | - | 100,00% | 100,00% | none |
| 56 | Projekt Echo 121 Sp. z o.o. | Kielce | lease and property management | 31 | (31) | | (31) | - | 100,00% | 100,00% | none |
| 57 | Projekt Echo 122 Sp. z o.o. | Kielce | lease and property management | 779 | (779) | | (779) | - | 100,00% | 100,00% | none |
| 58 | Projekt Echo 127 Sp. z o.o. | Kielce | lease and property management | 31 | - | (31) | (31) | - | 100,00% | 100,00% | none |
| 59 | Projekt Echo 128 Sp. z o.o. | Kielce | lease and property management | 31 | (31) | | (31) | - | 100,00% | 100,00% | none |
| 60 | Projekt Echo 130 Sp. z o.o. | Kielce | lease and property management | 41 | (31) | - | (31) | 10 | 100,00% | 100,00% | none |
| 61 | Projekt Echo 131 Sp. z o.o. | Kielce | lease and property management | 307 | (307) | | (307) | - | 100,00% | 100,00% | none |
| 62 | Projekt Echo 135 Sp. z o.o. | 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 2021

| 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 |
|-----|------------------------------------|-------------------|--|---|---|------------------------------------|---|------------------------------------|----------------------|---|---------------------------|
| 63 | Projekt Echo 136 Sp. z o.o. | Kielce | lease and property management | 31 | - | (31) | (31) | - | 100,00% | 100,00% | none |
| 64 | Projekt Echo 137 Sp. z o.o. | Kielce | lease and property management | 31 | - | | - | 31 | 100,00% | 100,00% | none |
| 65 | Projekt Echo 136 Sp. z o.o. Sp.k. | Kielce | lease and property management | 84 006 | - | | - | 84 006 | 99,00% | 99,00% | none |
| 66 | Villea investments Sp. z o.o. | Warsaw | lease and property management | 5 | | | | 5 | 100,00% | 100,00% | none |
| 67 | Selmer Investments Sp. z o.o. | Warsaw | other business and management consultancy activities | 12 | (12) | | (12) | - | 100,00% | 100,00% | none |
| 68 | Selmer Investments Sp.k. | Warsaw | other business and management consultancy activities | 15 | (15) | | (15) | - | 100,00% | 100,00% | none |
| 69 | Cornwall Investments Sp. z o.o. | Warsaw | other business and management consultancy activities | 12 | - | (12) | (12) | - | 100,00% | 100,00% | none |
| 70 | Gosford Investments Sp. z o.o. | Warsaw | lease and property management | 5 | | | | 5 | 100,00% | 100,00% | none |
| 71 | Fianar Investments Sp. z o.o. | Warsaw | other business and management consultancy activities | 6 | (6) | | (6) | - | 100,00% | 100,00% | none |
| 72 | Doxent Investments Sp. z o.o. | Warsaw | lease and property management | 5 | | | | 5 | 100,00% | 100,00% | none |
| 73 | City Space - GP Sp. z o.o. | Warsaw | lease and property management | 137 | (137) | | (137) | - | 100,00% | 100,00% | none |
| 74 | City Space - Management Sp. z o.o. | Warsaw | other activities related to employees outsourcing | 937 | (937) | | (937) | - | 100,00% | 100,00% | none |
| 75 | Gleann Sp. z o.o. | Warsaw | lease and property management | 5 | (5) | | (5) | - | 100,00% | 100,00% | none |
| 76 | Perth Sp. z o.o. | Warsaw | lease and property management | 5 | | | | 5 | 100,00% | 100,00% | none |

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2021

| 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 |
|-----|---|-------------------|---|---|---|------------------------------------|---|------------------------------------|----------------------|---|---------------------------|
| 77 | Potton Sp. z o.o. | Warsaw | lease and property management | 5 | | | | 5 | 100,00% | 100,00% | none |
| 78 | Pudsey Sp. z o.o. | Warsaw | other business and management consultancy activities | 82 | | | | 82 | 100,00% | 100,00% | none |
| 79 | Seaford Sp. z o.o. | Warsaw | other business and management consultancy activities | 5 | | (5) | (5) | - | 100,00% | 100,00% | none |
| 80 | Elektrownia RE Sp. z o.o. | Kielce | buying and selling of property on own account | 36 286 | | | | 36 286 | 100,00% | 100,00% | none |
| 81 | Projekt 140 Grupa Echo Sp. z o.o. Sp. k. | Kielce | lease and property management | 15 006 | | | | 15 006 | 99,99% | 99,99% | none |
| 82 | GRO Nieruchomości Sp. z o.o. | Kraków | lease and property management | 10 | | | | 10 | 100,00% | 100,00% | none |
| 83 | Projekt 147 Grupa Echo Sp. z o.o. Sp.k. | Kielce | lease and property management | 6 | (6) | | (6) | - | 99,99% | 99,99% | none |
| 84 | Swanage Sp. z o.o. | Warsaw | lease and property management | 10 | (10) | | (10) | - | 100,00% | 100,00% | none |
| 85 | Stranraer Sp. z o.o. | Warsaw | lease and property management | 10 | | (10) | (10) | - | 100,00% | 100,00% | none |
| 86 | Dagnall Sp. z o.o. | Warsaw | lease and property management | 10 | | (10) | (10) | - | 100,00% | 100,00% | none |
| 87 | Shanklin Sp. z o.o. | Warsaw | lease and property management | 10 | (10) | | (10) | - | 100,00% | 100,00% | none |
| 88 | Strood Sp. z o.o. | Warsaw | lease and property management | 27 125 | | | | 27 125 | 100,00% | 100,00% | none |
| 89 | RPGZ Sp. z o.o.* | Kraków | execution of construction projects related to buildings | 21 | | | | 21 | 100,00% | 100,00% | none |
| 90 | 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 |
| 91 | Projekt Echo 139 Sp. z o.o. | Kielce | buying and selling of property on own account | 6 | | | | 6 | 99,99% | 99,99% | none |

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2021

| 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 |
|---|--------------------------------------|-------------------|--|---|---|------------------------------------|---|------------------------------------|----------------------|---|---------------------------|
| 92 | Projekt Echo 140 Sp. z o.o. | Kielce | buying and selling of property on own account | 6 | | (6) | (6) | - | 100,00% | 100,00% | none |
| 93 | Projekt Echo 141 Sp. z o.o. | Kielce | buying and selling of property on own account | 6 | | (6) | (6) | - | 100,00% | 100,00% | none |
| 94 | Projekt Echo 142 Sp. z o.o. | Kielce | buying and selling of property on own account | 6 | | (6) | (6) | - | 100,00% | 100,00% | none |
| 95 | Projekt Echo 143 Sp. z o.o. | Kielce | buying and selling of property on own account | 6 | | (6) | (6) | - | 100,00% | 100,00% | none |
| 96 | Projekt Echo 144 Sp. z o.o. | Kielce | buying and selling of property on own account | 6 | | (6) | (6) | - | 100,00% | 100,00% | none |
| 97 | Projekt Echo 145 Sp. z o.o. | Kielce | buying and selling of property on own account | 6 | | (6) | (6) | - | 100,00% | 100,00% | none |
| 98 | 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 |
| 99 | 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 |
| 100 | PHS - PRprojekt CS - SP.K. | Warsaw | execution of construction projects related to buildings | 4 005 | | (207) | (207) | 3 798 | 99,99% | 99,99% | none |
| 101 | Babka Tower - PE 93 Sp. z o.o. Sp.k. | Kielce | lease and property management | 79 | | (4) | (4) | 75 | 99,99% | 99,99% | none |
| Total | | | | 1 423 998 | (49 798) | (1 391) | (51 190) | 1 372 808 | | | |
| Shares / interests in jointly controlled entities | | | | | | | | | | | |
| 1 | Rosehill Investments Sp. z o.o. | Warsaw | lease and property management | 103 410 | | (17 217) | (17 217) | 86 193 | 30,00% | 30,00% | none |
| 2 | Projekt Echo 138 Sp. z o.o. | Warsaw | lease and property management | 2 | | | | 2 | 30,00% | 30,00% | none |

Interests or shares in subsidiaries, joint ventures and associates as at 31 December 2021

| 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 |
|---------------------------------------|-----------------------------|-------------------|-------------------------------|---|---|------------------------------------|---|------------------------------------|----------------------|---|---------------------------|
| 3 | R4R Poland Sp. z o.o. | Warsaw | lease and property management | 28 980 | | | | 28 980 | 30,00% | 30,00% | none |
| | | | Total | 132 392 | - | (17 217) | (17 217) | 115 175 | | | |
| Shares / shares in subsidiaries total | | | | 1 556 390 | (49 798) | (18 608) | (68 407) | 1 487 983 | | | |

NOTE 5

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

| | 31.12.2022 | 31.12.2021 |
|---|---------------|----------------|
| Advances received | 1 549 | 1 854 |
| In subsidiaries | 64 157 | 106 222 |
| Bonds | 64 157 | 106 222 |
| - long-term | - | 43 671 |
| - short-term | 64 157 | 62 551 |
| Receivables for sale of shares | 10 860 | 3 285 |
| Total long and short-term financial assets | 76 566 | 111 361 |

The Company estimated the value of bonds impairment loss as at 31 December 2022 due to its intangibility, the amount of the write-down was not recognized in the books, and as at 31 December 2021 at PLN 3,5 million.

Bonds have passed the SPPI test in accordance with IFRS 9 para. 4.1.2. and they are therefore not measured at fair value, but at amortised cost. The measurement does not differ materially from fair value. The bonds were granted to financially sound affiliated entities. With regard to affiliated entities, in the opinion of the Management Board, credit risk is minimised through the control of their operations on an ongoing basis and the evaluation of investment projects of these companies.

In the opinion of the Management Board, through the possibility of monitoring operations of subsidiaries and periodically confirming the profitability of their projects, the Company is able to assess and identify receivables for which credit risk has significantly increased. The Company's Management Board did not find such bonds. The Management Board assessed the bonds granted in terms of creating a write-down for expected credit losses based on the evaluation of Echo Investment Capital Group's credibility. In accordance with the requirements of IFRS 9, a write-down for expected credit losses was created. As at 31 December 2022, the write-down amounted PLN 34 thousand and as at 31 December 2021, the write-down amounted PLN 11 thousand.

Key data on bonds as at 31 December 2022 [PLN '000]

| Contractor's name | Value | Interest | Redemption date | Classification by repayment date |
|---|---------------|-------------------|-----------------|----------------------------------|
| Projekt Beethovena-Projekt Echo 122 Sp. z o.o. S.K.A. | 34 975 | Wibor 6M + margin | 5.11.2023 | short-term |
| Projekt Beethovena-Projekt Echo 122 Sp. z o.o. S.K.A. | 27 000 | Wibor 6M + margin | 1.01.2024 | short-term |
| Bonds without interests and write-offs | 61 975 | | | |
| Interests | 2 216 | | | |
| Write-offs | (34) | | | |
| Total bonds with interest and write-off | 64 157 | | | |

After the analysis in 2020, the Management Board of the Company decided to correct the presentation of long-term and short-term loans. The classification of loans now depends on the actual repayment date. Therefore, the bond issued by Projekt Beethoven - Projekt Echo 122 Sp. z o. o.

S.K.A. with the redemption date of January 1, 2024, was presented as short-term due to the expected sale of the only asset of the Counterparty within 12 months from the balance sheet date.

Key data on bonds as at 31 December 2021 [PLN '000]

| Contractor's name | Value | Interest | Redemption date | Classification by repayment date |
|---|----------------|-------------------|-----------------|----------------------------------|
| Taśmowa - Projekt Echo 116 Sp. z o.o. S.K.A. | 40 810 | WIBOR 6M + margin | 10.09.2023 | long-term |
| Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A. | 34 975 | WIBOR 6M + margin | 5.11.2023 | short-term |
| Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A. | 27 000 | WIBOR 6M + margin | 1.01.2024 | short-term |
| Bonds without interests and write-offs | 102 785 | | | |
| Interests | 6 972 | | | |
| Write-offs | (3 535) | | | |
| Total bonds with interest and write-off | 106 222 | | | |

NOTE 6

Long-term loans granted [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|--------------------------------------|----------------|------------------|
| To subsidiaries | 198 099 | 1 094 701 |
| To joint-ventures | 303 985 | 283 845 |
| To other entities | 588 | 554 |
| Total long-term loans granted | 502 672 | 1 379 100 |

Loans have passed the SPPI test and they are held in accordance with a business model that aims to hold financial assets to earn contractual cash flows pursuant to IFRS 9 and are therefore not measured at fair value but at amortised cost. The measurement does not differ materially from fair value.

The maximum credit risk value associated with the loans is equal to their carrying amount. The loans granted are not secured, are not past due and are not materially impaired. The loans were granted to financially sound affiliated entities. In relation to the affiliated entities, in the Management Board's opinion, credit risk is minimised through the control of their operations on an ongoing basis and the evaluation of investment projects of these companies.

In the Management Board's opinion, the Company, through its ability to monitor the operations of its subsidiaries and to reconfirm the profitability of their projects on a periodic basis, is able to evaluate and identify loans for which credit risk has significantly increased. The Company's Management Board has not identified any such loans. The Management Board assessed the loans in terms of creating a write-off for expected credit losses based on its assessment of the credibility of the Echo Investment Group.

In accordance with the requirements of IFRS 9, a writedown for expected credit losses was created: as at 31 grudnia 2022 its value was estimated at the amount of PLN 2,943 thousand, and as at 31 December 2021 - in the amount of PLN 1,169 thousand.

NOTE 6A

Long-term loans granted — currency structure [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|---|----------------|------------------|
| In Polish currency (PLN) | 453 120 | 1 172 651 |
| In other currencies (recalculated into PLN) | 49 552 | 206 449 |
| Total long-term loans granted | 502 672 | 1 379 100 |

The note includes long-term loans with interest.

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 | margin | 31.03.2029 |
| R4R Poland Sp. z o.o. | 49 584 | margin | 31.03.2030 |
| R4R Poland Sp. z o.o. | 48 705 | margin | 31.03.2031 |
| Taśmowa - Projekt Echo 116 Sp. z o.o.* | 44 105 | Wibor 3M + margin | 31.12.2024 |
| Berea Sp. z o.o. | 36 760 | margin | 31.12.2025 |
| R4r Poland Sp. z o.o. | 35 151 | margin | 30.09.2026 |
| Rosehill Investments Sp. z o.o. | 25 703 | Euribor 3M + margin | 31.12.2025 |
| Echo - Arena Sp. z o.o. | 24 091 | Wibor 3M + margin | 7.01.2026 |
| Projekt Echo - 137 Sp. z o.o.* | 9 754 | Euribor 3M + margin | 30.06.2024 |
| 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 Sp. z o.o. | 535 | margin | 22.04.2026 |
| Loans without interest and write-offs | 446 232 | | |
| interest | 57 794 | | |
| write-offs | (1 354) | | |
| Total loans with interest and write-offs | 502 672 | | |

* Loans granted in 2022

The maximum value of credit risk associated with borrowings equals their carrying amount.

The granted borrowings are not secured.

The granted borrowings are not overdue and there is no impairment of the granted borrowings.

The loans granted are presented in line with the actual ones repayment date.

Key figures on long-term borrowings without interest as at 31 December 2021 [PLN '000]

| Contractor's name | Amount | Interest | Repayment date |
|---|------------------|---------------------|----------------|
| Strood Sp. z o.o. * | 169 232 | Euribor 3M + margin | 31.12.2023 |
| Fianar Investments Sp. z o.o.* | 150 000 | Wibor 3M + margin | 31.12.2023 |
| Projekt 12 - Grupa Echo Sp. z o.o. Sp.k. | 122 718 | Wibor 3M + margin | 31.12.2023 |
| Galeria Libero Sp. z o.o. Sp.k. | 97 507 | Wibor 3M + margin | 10.10.2026 |
| R4R Poland Sp. z o.o. | 90 638 | margin | 31.03.2030 |
| Projekt Echo 130 Sp. z o.o. | 85 580 | Wibor 3M + margin | 26.02.2026 |
| Villea Investments Sp. z o.o. | 68 550 | Wibor 3M + margin | 31.12.2023 |
| R4R Poland Sp. z o.o. | 61 518 | margin | 31.03.2029 |
| Arena Sp. z o.o.* | 46 800 | Wibor 3M + margin | 31.12.2023 |
| Senja 2 Sp. z o.o. | 43 663 | Wibor 3M + margin | 31.12.2023 |
| ZAM - Projekt Echo 127 Sp. z o.o. Sp.k.* | 43 000 | Wibor 3M + margin | 31.12.2023 |
| Berea Sp. z o.o. | 36 760 | margin | 31.12.2025 |
| R4R Poland Sp. z o.o. | 35 151 | margin | 30.09.2026 |
| Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.* | 35 080 | Wibor 3M + margin | 30.06.2026 |
| Doxent Investments Sp. z o.o.* | 30 237 | Wibor 3M + margin | 31.12.2023 |
| Galeria Nova - Grupa Echo Sp. z o.o. S.K.A.* | 28 330 | Wibor 3M + margin | 31.12.2023 |
| Rosehill Investments Sp. z o.o. | 25 703 | Euribor 3M + margin | 31.12.2025 |
| GRO Nieruchomości Sp. z o.o. | 23 687 | Wibor 3M + margin | 31.12.2023 |
| Perth Sp. z o.o.* | 23 000 | Wibor 3M + margin | 31.12.2023 |
| Rpgz IX Sp. z o.o. | 19 466 | Wibor 3M + margin | 31.12.2023 |
| Projekt Echo 139 Sp. z o.o.* | 18 050 | Wibor 3M + margin | 31.12.2023 |
| Projekt Echo 123 Sp. z o.o.* | 15 610 | Wibor 3M + margin | 31.12.2023 |
| Gosford Investments Sp. z o.o. | 12 775 | Wibor 3M + margin | 31.12.2023 |
| City Space Management Sp. z o.o. | 9 402 | Wibor 3M + margin | 31.03.2022 |
| Echo - Galaxy Sp. z o.o. S.K.A.* | 8 230 | Wibor 3M + margin | 31.12.2023 |
| Berea Sp. z o.o. | 7 869 | Euribor 3M + margin | 31.12.2025 |
| Rondo 1 City Space - GP Sp. z o.o. Sp.k. | 4 051 | Wibor 3M + margin | 31.12.2023 |
| Echo - SPV 7 Sp. z o.o. | 3 140 | Wibor 3M + margin | 31.12.2023 |
| Echo - Opolska Business Park Sp. z o.o. Sp.k.* | 1 237 | Wibor 3M + margin | 31.12.2023 |
| Elektrownia Sp. z o.o.* | 1 000 | Wibor 3M + margin | 31.12.2023 |
| Strood Sp. z o.o. | 9 890 | Wibor 3M + margin | 31.12.2023 |
| Projekt Echo 111 Sp. z o.o. | 792 | Wibor 3M + margin | 31.12.2023 |
| DKRA Sp. z o.o. | 535 | margin | 22.04.2026 |
| Plac Unii City Space - GP Sp. z o.o. Sp.k. | 499 | Wibor 3M + margin | 31.12.2023 |
| 142 — City Space GP Sp. z o.o. Sp.k. | 440 | Wibor 3M + margin | 31.12.2023 |
| Projekt Echo 144 Sp. z o.o. | 30 | Wibor 3M + margin | 31.12.2023 |
| Projekt Echo 141 Sp. z o.o. | 30 | Wibor 3M + margin | 31.12.2023 |
| Projekt Echo 142 Sp. z o.o. | 30 | Wibor 3M + margin | 31.12.2023 |
| Projekt Echo 143 Sp. z o.o. | 30 | Wibor 3M + margin | 31.12.2023 |
| Projekt Echo 145 Sp. z o.o. | 30 | Wibor 3M + margin | 31.12.2023 |
| Loans without interest and write-offs | 1 330 290 | | |
| interest | 74 885 | | |
| write-offs | (26 075) | | |
| Total loans with interest and write-offs | 1 379 100 | | |

* Loans granted in 2021

NOTE 7

Derivative financial instruments [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|--------------------|---------------|---------------|
| Interest Rate Swap | 26 251 | 18 922 |
| Total | 26 251 | 18 922 |

The company includes derivative financial instruments up to the second level in the hierarchy of fair value specified in the accounting standards. The valuation technique in

the case of percentage swaps includes the discounted cash flow method using observable data such as interest rates (WIBOR, EURIBOR) and interest rate curves.

Key data on long-term derivative financial instruments as at 31 December 2022 [PLN '000]

| | Nominal collateral | Interest | Date of conclusion | Redemption date |
|-------------|--------------------|----------|--------------------|-----------------|
| IRS - 39624 | 150 000 | 0,590% | 24.08.2020 | 31.05.2024 |
| IRS - 39827 | 100 000 | 0,535% | 16.09.2020 | 5.08.2024 |

NOTE 8

Leasing receivables [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|--------------|---------------|---------------|
| up to 1 year | 3 666 | 3 068 |
| 1 to 3 years | 8 837 | 7 688 |
| 3 to 5 years | 8 909 | 8 663 |
| over 5 years | 17 134 | 19 763 |
| Total | 38 546 | 39 182 |

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

NOTE 9A

Inventory [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|---|----------------|----------------|
| Semi-finished products and work-in-progress | 115 828 | 287 582 |
| - land usufruct asset | 18 956 | 49 345 |
| Finished products | 3613 | 19 897 |
| Goods | - | - |
| Total | 119 441 | 307 479 |

Inventories are measured at production or purchase price, but not higher than the realisable net sales amount. This value is established according to current market prices obtained from the property developer's market. Inventory write-downs are reversed either when the inventory is sold or when the net sales price increases. The amounts of write-downs of inventories recognised in the period as cost and the amounts of reversals of write-downs of inventories recognised in the period as a reduction of cost are included in the statements of profit or loss in the item cost of sales.

The 'finished products' item contains completed residential units intended for sale.

The 'intermediate products and products in progress' item contains mainly real estate and expenditures on residential projects under preparation and construction.

The 'goods' item contains land for sale.

NOTE 9B

Inventory — impact on results [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|---|--------------|------------|
| Inventory write-offs recognised as cost in the period | (750) | - |
| Reversed write-downs on inventory recognised as revenue in the period | - | 171 |
| Movement in write-down on inventory | (750) | 171 |

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

The change in the inventory write-down in 2022 concerns the discontinued project in Warsaw.

The change in the inventory write-down as at 31 December 2022 amounted PLN 750 thousand, it was PLN 171 thousand as at 31 December 2021.

NOTE 9C

Inventories — list of mortgages [PLN '000]

| | Value of the asset | Value of the mortgage | For | Comment |
|-----------------------|--------------------|-----------------------|-------------------------------------|--|
| Warszawa, ul. Woloska | 177 668 | 88 150 | Archicom Loft Platinum 1 sp. z o.o. | security for repayment of the advance and VAT, on 26 October 2022, an application was submitted to delete the mortgage from the land and mortgage register |

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

| | 31.12.2022 | 31.12.2021 |
|--|---------------|---------------|
| a) receivables from subsidiaries | 56 493 | 35 225 |
| - trade, with maturity: | 40 778 | 27 384 |
| - up to 12 months | 40 778 | 27 384 |
| - over 12 months | - | - |
| - other: | 15 715 | 7 841 |
| - due to profit from limited partnerships | 15 715 | 7 841 |
| b) write-downs on receivables from related parties | | |
| Receivables from other entities | 16 026 | 22 961 |
| - trade, with maturity: | 2 717 | 1 805 |
| - up to 12 months | 2 717 | 1 805 |
| - over 12 months | - | - |
| - tax receivables | 3 337 | 10 368 |
| - other | 4 896 | 5 719 |
| - security deposits paid | 1 548 | 573 |
| - lease receivables | - | 1 471 |
| - bid bonds paid | 3 348 | 3 675 |
| - advances for deliveries | 5 076 | 5 069 |
| Total net short-term trade receivables, taxes and other | 72 519 | 58 186 |
| total write-downs for expected credit losses of receivables | (3 189) | (2 651) |
| Total gross short-term trade receivables, taxes and other receivables | 75 708 | 60 837 |

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 2022, 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 10B

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

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|---|--------------------------|--------------------------|
| Opening balance | 2 651 | 2 076 |
| Increases | 786 | 725 |
| - due to write-down recognition | 786 | 725 |
| Decreases | (248) | (150) |
| - due to repayment | (184) | (100) |
| - due to termination | (64) | (50) |
| - use | - | - |
| Write-downs on expected credit losses on short-term receivables at the end of the period | 3 189 | 2 651 |

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

NOTE 10C

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

| | 31.12.2022 | 31.12.2021 |
|--|---------------|---------------|
| In the Polish currency (PLN) | 73 538 | 56 851 |
| In other currencies, recalculated into PLN | 2 170 | 3 986 |
| unit/currency EUR | 463 | 867 |
| PLN '000 | 2 170 | 3 986 |
| unit/currency USD | - | - |
| PLN '000 | - | - |
| Total gross short-term trade receivables, taxes and other | 75 708 | 60 837 |

NOTE 10D

Gross trade receivables — with remaining maturity from the balance sheet date [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|---|---------------|---------------|
| up to 1 month | 25 981 | 11 482 |
| 1-3 months | 12 439 | 10 694 |
| 3-6 months | - | - |
| 6-12 months | - | - |
| over 12 months | - | - |
| overdue receivables | 8 264 | 9 664 |
| Total gross trade receivables | 46 684 | 31 840 |
| write-downs on expected credit losses and valuation of receivables due to trade receivables | (3 189) | (2 651) |
| Total net trade receivables | 43 495 | 29 189 |

NOTE 10E

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

| | 31.12.2022 | 31.12.2021 |
|---|--------------|--------------|
| up to 1 month | 4 057 | 4 208 |
| 1-3 months | 159 | 1 343 |
| 3-6 months | 302 | 611 |
| 6-12 months | 408 | 558 |
| over 12 months | 3 338 | 2 944 |
| Total gross overdue trade receivables | 8 264 | 9 664 |
| write-downs for expected credit losses and valuation of overdue trade receivables | (3 189) | (2 651) |
| Total net overdue trade receivables | 5 075 | 7 013 |

NOTE 10F

Gross trade receivables [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|--------------------------------------|---------------|---------------|
| Unimpaired current receivables | 38 420 | 22 176 |
| Unimpaired overdue receivables | 5 075 | 7 013 |
| Impaired overdue receivables | 3 189 | 2 651 |
| Total gross trade receivables | 46 684 | 31 840 |

NOTE 10G

Disputed and overdue receivables [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|---------------------------------------|--------------|--------------|
| Overdue receivables | 8 264 | 9 664 |
| Trade receivables | 8 264 | 9 664 |
| - including not covered by write-down | 5 075 | 7 013 |

NOTE 11A

Short-term loans granted [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|---------------------------------------|----------------|------------|
| In subsidiaries | | |
| loans granted | 567 908 | 262 |
| | 567 908 | 262 |
| In joint-ventures | | |
| loans granted | - | - |
| | - | - |
| Total short-term loans granted | 567 908 | 262 |

The note includes short-term loans with interest and a write-down.

Loans have passed the SPPI test and they are held in accordance with a business model that aims to hold financial assets to earn contractual cash flows pursuant to IFRS 9 and are therefore not measured at fair value but at amortised cost. The measurement does not differ materially from fair value.

The maximum credit risk value associated with the loans is equal to their carrying amount. The loans granted are not secured, are not past due and are not materially impaired. The loans were granted to financially sound affiliated enti-

ties. In relation to the affiliated entities, in the Management Board's opinion, credit risk is minimised through the control of their operations on an ongoing basis and the evaluation of investment projects of these companies.

In the Management Board's opinion, the Company, through its ability to monitor the operations of its subsidiaries and to reconfirm the profitability of their projects on a periodic basis, is able to evaluate and identify the loans for which credit risk has significantly increased. The Company's Management Board has not identified any such loans. The Management Board assessed the loans in terms of creating a write-off for expected credit losses based on its assessment of the credibility of the Echo Investment Group.

NOTE 11B

Short-term loans granted — currency structure [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|--|----------------|------------|
| In the Polish currency (PLN) | 425 826 | 262 |
| In foreign currencies (after translation into PLN) | 142 082 | - |
| Total | 567 908 | 262 |

The note includes short-term loans with interest.

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 | Wibor 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 | | |

* Loans granted in 2022

Loans granted are presented in accordance with the actual ones repayment date.

The maximum credit risk value associated with the loans is equal to their carrying value. The loans granted are not secured, are not past due and are not impaired. The loans were granted to affiliated entities with good financial condition. In relation to affiliated entities, in the opinion of

the Management Board, credit risk is minimised through the control of their operations on an ongoing basis and the evaluation of the investment projects of these companies. In the Management Board's opinion, the Company, through its ability to monitor the operations of its subsidiaries and to reconfirm the profitability of their projects on a periodic basis, is able to evaluate and identify the loans for which credit risk has significantly increased.

Basic data on major short-term borrowings, without interest, as at 31 December 2021 [PLN '000]

| Contractor's name | Amount | Interest | Repayment date |
|--|------------|-------------------|----------------|
| Shanklin Sp. z o.o.* | 101 | WIBOR 3M + margin | 31.03.2022 |
| Projekt K-6 S.K.A.* | 85 | WIBOR 3M + margin | 31.03.2022 |
| Projekt 13 S.K.A.* | 70 | WIBOR 3M + margin | 31.03.2022 |
| Borrowings without interests and write-offs | 256 | | |
| interests | 6 | | |
| write-offs | - | | |
| Total borrowings with interest and write-offs | 262 | | |

NOTE 12A

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

| | 31.12.2022 | 31.12.2021 |
|---|----------------|---------------|
| Restricted cash | - | 2 404 |
| - inflows from clients buying apartments, blocked on escrow accounts, being released by bank as the investment progresses | - | 2 404 |
| Cash in hand and in bank accounts | 116 073 | 74 239 |
| Total cash, cash equivalents and other financial assets | 116 073 | 76 643 |

As at 31 December 2022, the Company has cash in reputable banks, mainly in mBank.

The maximum credit risk value associated with cash equals its carrying amount.

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.

External bank ratings and publicly available information on default rates for a given rating determined by external agencies are used to assess credit risk. The ratings of the banks in which the funds are deposited range from BBB- to A - according to the rating agency EuroRating, published on the European Rating Platform run by the European Securities and Markets Authority (ESMA).

NOTE 12B

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

| | 31.12.2022 | 31.12.2021 |
|--|----------------|---------------|
| In the Polish currency (PLN) | 112 535 | 74 869 |
| In other currencies (recalculated into PLN) | 3 538 | 1 774 |
| unit/currency EUR | 743 | 384 |
| PLN '000 | 3 483 | 1 764 |
| unit/currency HUF | 4 253 | 642 |
| PLN '000 | 50 | 8 |
| unit/currency USD | 1 | - |
| PLN '000 | 5 | 2 |
| Total cash, cash equivalents and other financial assets | 116 073 | 76 643 |

NOTE 13A

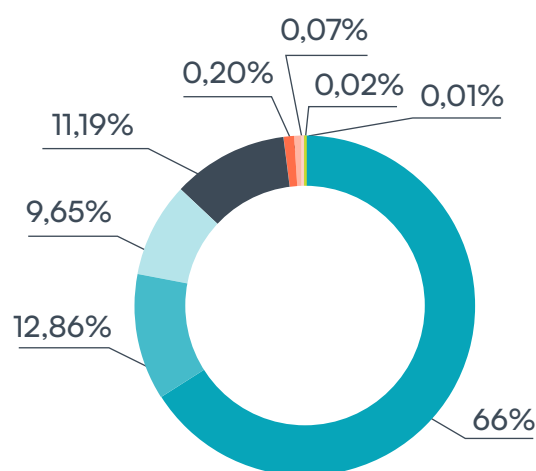
Share capital

Nominal value per 1 share = 0,05 PLN

| Series / Issue | Type of share | Type of limited rights to shares | No. of shares | Value of the series/ issue at nominal value (PLN ,000) | Capital coverage |
|----------------------------|---------------|----------------------------------|--------------------|---|------------------|
| 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 | |

Shareholders of Echo Investment S.A. as at 30 December 2022

| Number of shares: | |
|-------------------|--|
| 272,375,784 | — Lisala Sp. z o.o. (Wing IHC Zrt with Griffin Capital Partners) |
| 53,062,355 | — Nationale-Nederlanden OFE |
| 39,809,348 | — Allianz Polska PTE |
| 815,072 | — Nicklas Lindberg — CEO |
| 291,065 | — Maciej Drozd — CFO |
| 94,192 | — Péter Kocsis — Member of the Supervisory Board |
| 50,000 | — Bence Sass — Member of the Supervisory Board |
| 46,192,766 | — others |



NOTE 13B

Supplementary capital [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|--|----------------|----------------|
| 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 13C

Change of dividend fund [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|--|--------------------------|--------------------------|
| Opening balance | 413 912 | 186 051 |
| Changes in the period | | |
| - supplementary capital | - | 350 000 |
| - dividend fund | (90 793) | (76 791) |
| - dividend approved for payment* | (40 792) | - |
| - distribution of the profit from previous years | 13 842 | (45 348) |
| Closing balance | 296 169 | 413 912 |

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 13D

Change to profit - loss from previous years [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|--|--------------------------|--------------------------|
| Opening balance | 27 842 | 57 825 |
| Changes in the period | | |
| - adjustments of profit from previous years | - | - |
| - distribution of profit from previous years | (27 842) | (57 825) |
| Closing balance | - | - |

NOTE 14A

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

| | 31.12.2022 | 31.12.2021 |
|--|-------------------------|------------------------|
| Due to subsidiaries | | |
| credits and loans | 57 576 | 226 438 |
| | 57 576 | 226 438 |
| Due to other entities | | |
| lease | 65 353 | 70 778 |
| security deposits and advances received | 2 737 | 1 243 |
| derivative financial instruments | - | 6 970 |
| due to debt security issue | 1 103 961 | 1 106 348 |
| bonuses for management | 4 558 | 9 059 |
| | 1 176 609 | 1 194 398 |
| Total long-term liabilities | 1 234 185 | 1 420 836 |
| 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, there were no breaches of terms of loan agreements

and established security levels during the financial year and until the date of signing of the financial statement.

NOTE 14B

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

| | 31.12.2022 | 31.12.2021 |
|--|-------------------------|------------------------|
| 1 year to 3 years | 893 763 | 1 020 099 |
| 3-5 years | 312 162 | 369 663 |
| Over 5 years | 28 260 | 31 074 |
| Total long-term liabilities | 1 234 185 | 1 420 836 |
| 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 14E.

NOTE 14C

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

| | 31.12.2022 | 31.12.2021 |
|---|------------------|------------------|
| In Polish currency (PLN) | 953 056 | 1 026 866 |
| In other currencies (recalculated into PLN) | 281 129 | 393 970 |
| Total long-term liabilities | 1 234 185 | 1 420 836 |

Financial liabilities due to debt financial instruments are measured at amortized cost of a liability component, in accordance with MSSF 9. The fair value of long-term

liabilities does not differ significantly from their carrying amount.

NOTE 14D

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

| | 31.12.2022 | 31.12.2021 |
|-----------------------------|---------------|---------------|
| Opening balance | 70 778 | 13 567 |
| Changes in the period | (5 425) | 57 211 |
| - new purchases | 4 159 | 57 211 |
| - financial costs | - | - |
| - payment | (9 584) | - |
| - project's completion/sale | - | - |
| Closing balance | 65 353 | 70 778 |

Leasing costs [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|---|--------------------------|--------------------------|
| Cost related to lease of low assets value | 1 679 | 815 |
| Cost related to lease of low assets value | 13 221 | 8 485 |
| Total | 14 900 | 9 300 |

The total cash outflow due the lease amounted to PLN 14,900 thousand as at 31 December 2022.

Echo Investment S.A. credit facilities 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 31 December 2022 is reduced by the guarantees issued and amounts to PLN 2 million.

** The available loan amount as at 31 December 2022 is reduced by the guarantees issued and amounts to PLN 27.2 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 nominal amount of the credit line used.

Echo Investment S.A. credit facilities as at 31 December 2021 [PLN '000]

| Bank | Contractual amount of loan | Outstanding loan amount | Interest rate | Repayment deadline |
|------------------------------|----------------------------------|----------------------------|-------------------|-----------------------|
| PKO BP S.A.* | 75 000 | 62 645 | WIBOR 1M + margin | 31.10.2023 |
| Alior Bank S.A. | 35 000 | 35 000 | WIBOR 3M + margin | 12.05.2022 |
| Santander Bank Polska S.A.** | 100 000 | 66 932 | WIBOR 1M + margin | 30.11.2022 |
| Total | 210 000 | 164 577 | | |

* As of 31 December 2021, the value of the available loan within the multi-purpose line at PKO BP Bank is reduced by the guarantees issued and amounts to PLN 3.4 million.

** As at 31 December 2021, the available loan from Santander Bank Polska S.A. is reduced by the guarantees issued and amounts to PLN 2.4 million.

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

Long- and short-term company's liabilities due to bonds issued as at 31 December 2022 [PLN '000]

| Series | ISIN code | Bank / brokerage house | Nominal value | Maturity | Interest rate |
|--|--------------|---|---------------|------------|-------------------------|
| Bonds for institutional investors | | | | | |
| 1/2019 | PLECHPS00308 | mBank S.A. | 96 510 | 11.04.2023 | WIBOR 6M + margin 4,25% |
| 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% |
| Total | | | 713 510 | | |
| Bonds for individual investors | | | | | |
| I-series | PLECHPS00274 | Consortium: DM PKO Bank Polski S.A., Noble Securities S.A. and Centralny DM Pekao S.A. | 50 000 | 8.11.2023 | WIBOR 6M + margin 3,4% |
| J and J2-series | PLECHPS00290 | J-series: consortium Noble Securities S.A., Michael / Ström DM S.A. / DM Bank Ochrony Środowiska S.A. J2 - series: DM PKO Bank Polski S.A. | 33 832 | 21.09.2023 | WIBOR 6M + margin 3,4% |
| K-series | PLECHPS00324 | DM PKO BP | 50 000 | 10.01.2025 | WIBOR 6M + margin 4,0% |
| L-series | PLECHPS00332 | DM PKO BP | 50 000 | 22.02.2026 | WIBOR 6M + margin 4,0% |
| M-series | PLECHPS00340 | DM PKO BP | 40 000 | 27.04.2026 | WIBOR 6M + margin 4,0% |
| N-series | PLECHPS00357 | DM PKO BP | 40 000 | 27.06.2026 | WIBOR 6M + margin 4,0% |
| O-series | PLECHPS00365 | DM PKO BP | 25 000 | 6.09.2026 | WIBOR 6M + margin 4,0% |
| Total | | | 288 832 | | |
| Bonds issued by Echo Investment S.A. for seller of shares in Archicom S.A. | | | | | |
| 1P/2021 | PLO017000053 | Michael/Ström DM (agent) | 188 000 | 22.10.2024 | fixed rate interest 5% |
| Total | | | 188 000 | | |

Bonds for institutional investors in eur [EUR '000]

| Series | ISIN code | Bank / brokerage house | Nominal value | Maturity | Interest rate |
|--------------|--------------|------------------------|---------------|------------|--------------------------|
| 1E/2020 | PLECHPS00316 | Bank Pekao S.A. | 40 000 | 23.10.2024 | fixed rate interest 4,5% |
| Total | | | 40 000 | | |

The change in business and economic conditions had no significant impact on the fair value of financial liabilities. For unlisted financial instruments, the discounted cash

flow model was used and classified to level 2 of the fair value hierarchy, for listed instruments, quoted prices were used and classified to level 1 of the fair value hierarchy.

Long- and short-term company's liabilities due to bonds issued as at 31 December 2021 [PLN '000]

| Series | ISIN code | Bank / brokerage house | Nominal value | Maturity | Interest rate |
|-----------------------------------|--------------|--|---------------|------------|-------------------------|
| Bonds for institutional investors | | | | | |
| 1/2018 | PLECHPS00282 | mBank S.A. | 31 410 | 25.04.2022 | WIBOR 6M + margin 2,9% |
| 1/2019 | PLECHPS00308 | mBank S.A. | 96 510 | 11.04.2023 | WIBOR 6M + margin 4,25% |
| 1/2020 | PLO017000012 | mBank S.A. | 150 000 | 31.05.2024 | WIBOR 6M + margin 4,50% |
| 1P/2020 | PLO017000020 | PKO TFI Parasolowy and Michael / Ström Brokerage House as an agent | 100 000 | 5.08.2024 | 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% |
| Total | | | 744 920 | | |
| Bonds for individual investors | | | | | |
| F-series | PLECHPS00233 | DM PKO BP S.A. | 125 000 | 11.10.2022 | WIBOR 6M + margin 2,9% |
| G-series | PLECHPS00241 | DM PKO BP S.A. | 75 000 | 27.10.2022 | WIBOR 6M + margin 2,9% |
| H-series | PLECHPS00266 | DM PKO BP S.A. | 50 000 | 22.05.2022 | WIBOR 6M + margin 2,8% |
| I-series | PLECHPS00274 | Consortium: DM PKO Bank Polski S.A., Noble Securities S.A. i Centralny Dom Maklerski Pekao S.A. | 50 000 | 8.11.2023 | WIBOR 6M + margin 3,4% |
| J and J2-series | PLECHPS00290 | J-series: consortium Noble Securities S.A., Michael / Ström Dom Maklerski S.A., Dom Maklerski Bank Ochrony Środowiska S.A. J2-series: DM PKO Bank Polski S.A. | 33 832 | 21.09.2023 | WIBOR 6M + margin 3,4% |
| Total | | | 333 832 | | |

Bonds for institutional investors in eur [EUR '000]

| Series | ISIN code | Bank / brokerage house | Nominal value | Maturity | Interest rate |
|--------------|--------------|------------------------|---------------|------------|--------------------------|
| 1E/2020 | PLECHPS00316 | Bank Pekao S.A. | 40 000 | 23.10.2024 | fixed rate interest 4,5% |
| Total | | | 40 000 | | |

Bonds issued by Echo Investment S.A. for seller of shares in Archicom S.A.

| Series | ISIN code | Bank / brokerage house | Nominal value | Maturity | Interest rate |
|--------------|--------------|--|----------------|------------|------------------------|
| 1P/2021 | PLO017000053 | Michael / Ström Dom Maklerski S.A. as an agent | 188 000 | 22.10.2024 | fixed rate interest 5% |
| Total | | | 188 000 | | |

Debt financial instruments [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|----------------|------------|------------|
| Carrying value | 1 377 938 | 1 369 211 |
| Fair value | 1 450 714 | 1 451 570 |

In the case of most debt liabilities, the fair value does not differ significantly from the carrying amount, because the interest payable on these liabilities is close to the current

market rates or the liabilities are short-term. Significant differences were identified only in the issued debt financial instruments.

Movement in deferred tax assets/provision [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|--|--------------------------|--------------------------|
| Deferred tax asset/provision at the beginning of the period | (16 677) | (19 534) |
| financial instruments | (2 271) | 308 |
| investment property | 513 | 513 |
| receivables and liabilities due to borrowings | (14 170) | (12 586) |
| liabilities due to loan and bonds | (1 559) | (2 546) |
| tax loss | 2 344 | 2 461 |
| inventory | 1 713 | (83) |
| interests and shares | 1 636 | - |
| leasing | 1 995 | 26 |
| other | (6 878) | (7 627) |
| Increases | 13 159 | 7 137 |
| financial instruments | 110 | - |
| investment property | - | - |
| receivables and liabilities due to borrowings | - | - |
| liabilities due to loan and bonds | 3 427 | 987 |
| tax loss | 1 076 | - |
| inventory | 2 912 | 1 796 |
| interests and shares | - | 1 636 |
| leasing | - | 1 969 |
| other | 5 634 | 749 |
| Decreases | (8 878) | (4 280) |
| financial instruments | - | (2 579) |
| investment property | - | - |
| receivables and liabilities due to borrowings | (8 331) | (1 584) |
| liabilities due to loan and bonds | - | - |
| tax loss | - | (117) |
| inventory | - | - |
| interests and shares | - | - |
| leasing | (547) | - |
| other | - | - |
| Deferred tax asset/provision at the end of the period | (12 396) | (16 677) |
| financial instruments | (2 161) | (2 271) |
| investment property | 513 | 513 |
| receivables and liabilities due to borrowings | (22 501) | (14 170) |
| liabilities due to loan and bonds | 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) |

Tax loss amount for 2021, from which no assets were created, amounts to PLN 5,224 thousand. Time limit for lapse

of the right to reduction tax due to tax loss falls in 2026.

NOTE 15A

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

| | 31.12.2022 | 31.12.2021 |
|--|-------------------------|------------------------|
| Trade, due to subsidiaries, with maturity: | 9 033 | 5 980 |
| up to 12 months | 9 033 | 5 980 |
| Trade, due to other entities, with maturity: | 11 104 | 15 844 |
| up to 12 months | 11 104 | 15 844 |
| Total short-term trade liabilities | 20 137 | 21 824 |
| Advances received (liability related to contract) | 5 854 | 179 920 |
| - including: from related entities | - | 166 249 |
| Security deposits received | 3 934 | 8 773 |
| Total security deposits and advances received | 9 788 | 188 693 |
| Due to other taxes | 1 831 | 8 689 |
| Due to current portion of income tax | 5 | 23 |
| Total liabilities due to taxes | 1 836 | 8 712 |
| - PWUG liability | 17 506 | 50 396 |
| - Car leasing liability | 2 880 | 2 575 |
| - Real estate lease liability | 10 407 | 9 627 |
| Total lease liabilities | 30 793 | 62 598 |
| Other liabilities | 119 020 | 24 657 |
| payroll | 5 | 2 |
| derivative financial instruments | 14 876 | - |
| other (due to) | 104 139 | 24 655 |
| dividend | 90 792 | - |
| cash on escrow account | - | 2 404 |
| other, including: | 13 347 | 22 251 |
| bonuses for management and employees | 8 022 | 10 664 |
| Total other short-term liabilities | 119 020 | 24 657 |
| Total short-term trade liabilities, taxes, received deposits, received advances and other | 181 574 | 306 484 |
| 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.

NOTE 15B

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

| | 31.12.2022 | 31.12.2021 |
|--|----------------|----------------|
| In the Polish currency (PLN) | 181 544 | 306 223 |
| In other currencies (recalculated into PLN) | 30 | 261 |
| unit/currency EUR | 6 | 57 |
| PLN '000 | 30 | 261 |
| unit/currency USD | - | - |
| PLN '000 | - | - |
| Total short-term trade liabilities, taxes, received deposits, received advances and other | 181 574 | 306 484 |

NOTE 15C

Short-term liabilities — change related to lease [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|---------------------------|---------------|---------------|
| Opening balance | 62 598 | 9 530 |
| Changes in the period | (31 805) | 53 068 |
| - new purchases | - | 63 710 |
| - financing costs | 5 518 | 2 052 |
| - payment | (5 229) | (9 704) |
| - projekt completion/sale | (32 094) | (2 990) |
| Closing balance | 30 793 | 62 598 |

NOTE 16A

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

| | 31.12.2022 | 31.12.2021 |
|---|----------------|----------------|
| Due to subsidiaries | | |
| borrowings | 150 913 | 105 874 |
| | 150 913 | 105 874 |
| Due to other entities | | |
| loans and borrowings | 155 399 | 164 577 |
| due to issue of debt securities | 300 539 | 351 028 |
| | 455 938 | 515 605 |
| Total short-term loans, borrowings and bonds | 606 851 | 621 479 |

According to the best information and data of the Company, there were no breaches of terms of loan agreements

and established security levels during the financial year and until the date of signing of the financial statement.

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

| | 31.12.2022 | 31.12.2021 |
|---|----------------|----------------|
| In the Polish currency (PLN) | 455 938 | 576 422 |
| In other currencies (recalculated into PLN) | 150 913 | 45 057 |
| Total short-term loans, borrowings and bonds | 606 851 | 621 479 |

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

| Contractor's name | Amount | Interest rate | Repayment deadline |
|--|----------------|---------------------|--------------------|
| Projekt Echo 129 Sp.z o.o. | 143 113 | EURIBOR 3M + margin | 30.09.2023 |
| Borrowings without interests and write-offs | 143 113 | | |
| Interests | 7 800 | | |
| Total borrowings with interest and write-offs | 150 913 | | |

Basic data on short-term borrowings as at 31 December 2021 [PLN ‘000]

| Contractor's name | Amount | Interest rate | Repayment deadline |
|---|----------------|---------------------|--------------------|
| Pudsey Sp. z o.o. | 60 400 | WIBOR 3M + margin | 30.09.2022 |
| Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A. | 44 615 | EURIBOR 3M + margin | 30.09.2022 |
| Borrowings without interests and write-offs | 105 015 | | |
| Interests | 859 | | |
| Total borrowings with interest and write-offs | 105 874 | | |

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

| | 31.12.2022 | 31.12.2021 |
|-----------------------------|---------------|----------------|
| Opening balance | | |
| provisions for penalties | - | 2 000 |
| provisions for guarantees | 482 | 590 |
| provisions for repairs | 749 | 794 |
| court proceedings | 310 | 272 |
| provision for costs | 6 315 | 7 648 |
| | 7 856 | 11 304 |
| Zwiększenia z tytułu | | |
| provisions for guarantees | 1 907 | - |
| provisions for repairs | 99 | - |
| court proceedings | 2 066 | 38 |
| | 4 072 | 38 |
| Release due to | | |
| provision for costs | - | (1 333) |
| provisions for guarantees | - | (108) |
| provisions for penalties | - | (2 000) |
| provisions for repairs | - | (45) |
| | - | (3 486) |
| Closing balance | | |
| provisions for repairs | 848 | 749 |
| provisions for guarantees | 2 389 | 482 |
| court proceedings | 2 376 | 310 |
| provision for costs | 6 315 | 6 315 |
| | 11 928 | 7 856 |

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]

| | 30.12.2022 | 31.12.2021 |
|--|------------------|------------------|
| Contingent liabilities | | |
| To related entities | 2 756 279 | 2 262 964 |
| due to guarantees and sureties granted | 2 756 279 | 2 262 964 |
| | 2 756 279 | 2 262 964 |
| Other | | |
| due to court proceedings against Echo Investment | 6 846 | 611 |
| | 6 846 | 611 |
| Total | 2 763 125 | 2 263 575 |

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 2022 in the amount of PLN 2 389 thousand and at 31 December 2021 in the amount of - PLN 482 thousand.

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

| Issuer | Entity receiving surety | Beneficiary | Value [PLN '000] | 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 | | |

Surety agreements issued by Echo Investment S.A. as at 31 December 2021 [PLN '000]

| For | Beneficiary | Value | Expiry date | Description |
|---|---------------------------------|----------------|--|---|
| Plac Unii City Space - GP Sp. z o.o. Sp.k. | Bletwood Investments Sp. z o.o. | 1 547 | 4.07.2026 | Surety for liabilities, as a collateral of liabilities resulting from the lease agreement of 6.11.2015. Issued in EUR. |
| Echo — Browary Warszawskie Sp. z o.o. Sp.k. oraz Dellia Investments — Projekt Echo 115 Sp. z o.o. Sp.k. | HPO AEP Sp. z o.o. Sp.j. | 11 499 | Until the date of obtaining a permit for use for the projects being carried out, but not later than 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. |
| Sagittarius - Projekt Echo 113 Sp. z o.o. Sp.k. | Human Office Polska Sp. z o.o. | 100 | 1.08.2022 | Surety for the liabilities of Sagittarius - Projekt Echo 113 Sp. z o.o. Sp.k. resulting from the lease of movable property. |
| Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A. | PKO BP S.A. | 372 558 | 31.12.2026 | Surety for particular liabilities as a collateral of claims resulting from residential project and mortgage separation of real estate. Issued in EUR. |
| Pimech Invest Sp. z o.o. | City of Warsaw | 1 230 | 30.03.2023 | Surety for proper performance of the liabilities of Pimech Invest arising from the road construction agreement. |
| Total | | 386 934 | | |

Changes in surety agreements issued by Echo Investment S.A. in 2022 [PLN '000]

| Change in 2022 | Issuer | Entity receiving surety | Beneficiary | Value [PLN '000] | Expiry date | Description |
|----------------|----------------------|---|---------------------------------|------------------|-------------|--|
| Expiry | Echo Investment S.A. | Sagittarius - Projekt Echo 113 Sp. z o.o. Sp.k. | Human Office Polska Sp. z o.o. | 100 | 1.09.2022 | Surety resulting from the lease of movable property. |
| Extension | 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. |
| Extension | 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. |

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

| Issuer | Entity receiving surety | Beneficiary | Value [PLN '000] | 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 [PLN '000] | 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 Grundstucksgesellschaft 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 Grundstucksgesellschaft 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 Grundstucksgesellschaft 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 [PLN '000] | 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. | Huramitell 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 [PLN '000] | 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 | | | 531 297 | | |

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 Wrocław. 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 Wrocław. |
| 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 | | |

Financial, performance and other guarantees issued by Echo Investment S.A. as at 31 December 2021 [PLN '000]

| Guarantor | Issuer | Beneficiary | Value | Expiry date | Description |
|----------------------|--|---|---------|-------------|---|
| Echo Investment S.A. | Q22 - Projekt Echo 128 Sp. z o.o. Sp.k. | IREEF — Stryków Prop-co Sp. z o.o. | - | 31.05.2022 | Rental guarantee related to the sale of the office building Q22 in Warsaw. The guarantee is issued in EUR. The amount of the guarantee is updated as the liability decreases. |
| Echo Investment S.A. | Echo - Opolska Business Park Sp. z o.o. Sp.k. | issued for Ventry Investments Sp. z o.o. Sp.k. (currently entitled EPP Office O3 Business Campus Sp. z o.o.) | 41 968 | 21.12.2026 | Construction guarantee related to the sale of the O3 Business Campus I office building in Kraków. The construction guarantee is secured by a corporate guarantee issued by Echo Investment S.A. The guarantee issued in EUR. |
| Echo Investment S.A. | ZAM - Projekt Echo 127 Sp. z o.o. Sp.k. | issued for Emfold Investments Sp. z o.o. (currently entitled Tryton Business Park Sp. z o.o.) | 43 778 | 21.12.2026 | Construction guarantee related to the sale of the Tryton office building in Gdańsk. The construction guarantee is secured by a corporate guarantee issued by Echo Investment S.A. Guarantee issued in EUR. |
| Echo Investment S.A. | Symetris - Projekt Echo 131 Sp. z o.o. Sp.k. | issued for Flaxton Investments Sp. z o.o. (currently entitled EPP Office — Symetris Business Park Sp. z o.o.) | 18 727 | 21.12.2026 | Construction guarantee related to the sale of the Symetris I office building in Łódź. The construction guarantee is secured by a corporate guarantee issued by Echo Investment S.A. Guarantee issued in EUR. |
| Echo Investment S.A. | Projekt Echo 135 Sp. z o.o. Sp.k. | A4 Business Park Sp. z o.o. | 25 297 | 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. | Echo - Opolska Business Park Sp. z o.o. Sp.k. | EPP Office O3 Business Campus Sp. z o.o. | 40 014 | 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. | - | 28.05.2022 | Corporate guarantee of Echo Investment S.A. securing rental guarantee related to the sale of O3 Business Campus II in Kraków. Partially issued in EUR. The maximum amount of the liability shall be successively reduced as the amount of the liability secured by the guarantee decreases. |
| Echo Investment S.A. | Direct guarantee of 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. |
| Echo Investment S.A. | Grupa Echo Sp. z o.o. | IB 14 FIZAN | 82 220 | 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. After 24.05.2021 the maximum amount of the liability will be reduced by 80 percent. |
| Echo Investment S.A. | Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A. (previously: Projekt 22 — Grupa Echo Sp. z o.o. S.K.A.) | A 19 Sp. z o.o. | 27 596 | 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. | Symetris - Projekt Echo 131 Sp. z o.o. Sp.k. | issued for Flaxton Investments Sp. z o.o. (currently entitled EPP Office — Symetris Business Park Sp. z o.o.) | 17 560 | 31.08.2023 | Construction guarantee related to the sale of the office building Symetris II in Łódź. Issued in EUR. The maximum amount of the liability will be successively reduced as the amount of the liability that is secured by the guarantee decreases. |
| Echo Investment S.A. | Rosehill Investments Sp. z o.o. | IB 6 FIZAN / GPF 3 FIZAN | 105 430 | 31.03.2023 | Security for the proper performance of the obligations resulting from the program contract concluded on 31.08.2017. Guarantee issued in EUR. |

Financial, performance and other guarantees issued by Echo Investment S.A. as at 31 December 2021 [PLN '000]

| Guarantor | Issuer | 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. | 36 000 | 30.06.2023 | Security for exceeding the costs of performing the Moje Miejsce office project in Warsaw. |
| PKO BP S.A. | Echo Investment S.A. | LUX Europa III S.a.r.l. | 6 450 | 20.05.2022 | Security for the liabilities arising from the contract of quality guarantee concluded on 27.03.2019. |
| Echo Investment S.A. | Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k. | LUX Europa III S.a.r.l. | 100 911 | 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. | Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k. | LUX Europa III S.a.r.l. | 144 | 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. The maximum amount of the liability will be successively reduced as the amount of the liability that is secured by the guarantee decreases. |
| 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 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. | LUX Europa III S.a.r.l. | 50 593 | 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 17 - Grupa Echo Sp. z o.o. S.K.A. | Bank Millennium S.A. | 8 045 | Until project manager confirms completion of the fit-out works. | Guarantee of exceeding the costs of performing the West 4 Business Hub office project in Wrocław. |
| Echo Investment S.A. | Projekt 132 - City Space - GP Sp. z o.o. Sp.k. | Issued for Echo - Opolska Business Park Sp. z o.o. Sp.k. (currently entitled EPP Development 6 Sp. z o.o.) | 2 174 | 30.06.2022 | Security for the liabilities arising from the lease agreement concluded on 4.06.2019. Guarantee issued in EUR. |
| Echo Investment S.A. | Projekt 20 - Grupa Echo Sp. z o.o. S.K.A. | Bank Pekao S.A. | 70 000 | 29.12.2023 | Guarantee securing cost overrun, covering interests on minimal level and securing own contribution on Face2Face office project in Katowice. |
| Echo Investment S.A. | Echo - Opolska Business Park Sp. z o.o. Sp.k. | EPP Development 6 Sp. z o.o. | 735 | 11.02.2025 | Corporate guarantee securing the rent guarantee related to the sale of O3 Business Campus III in Cracow. Partly issued in EUR. The maximum amount of liability will be successively reduced as the amount of liability secured by the guarantee decreases. |
| Echo Investment S.A. | Echo - Opolska Business Park Sp. z o.o. Sp.k. | EPP Development 6 Sp. z o.o. | 37 102 | 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. |
| PKO BP S.A. (commissioned by Echo Investment S.A.) | Echo Investment S.A. | Municipality of Kraków - Road Administration | 282 | 10.05.2022 | Guarantee of proper performance of the contract. |
| Echo Investment S.A. | 143 City Space GP Sp. z o.o. Sp.k. | Berea Sp. z o.o. | 21 | 22.06.2024 | Security for the liabilities arising from the lease agreement concluded on 21.05.2019. Guarantee issued in EUR. |
| Echo Investment S.A. | 143 City Space GP Sp. z o.o. Sp.k. | Berea Sp. z o.o. | 112 | 29.09.2024 | Security for the liabilities arising from the lease agreement concluded on 21.05.2019. Guarantee issued in EUR. |

Financial, performance and other guarantees issued by Echo Investment S.A. as at 31 December 2021 [PLN '000]

| Guarantor | Issuer | Beneficiary | Value | Expiry date | Description |
|--|--|---|-------------|--|---|
| PKO BP S.A. (commissioned by Echo Investment S.A.) | Aquarius City Space GP Sp. z o.o. Sp.k. | Aquarius SR Sp. z o.o. | 27 | 31.12.2022 | Bank guarantee securing the liabilities under the lease agreement of 5.09.2018. |
| PKO BP S.A. (commissioned by Echo Investment S.A.) | Aquarius City Space GP Sp. z o.o. Sp.k. | Aquarius SR Sp. z o.o. | 622 | 31.12.2022 | Bank guarantee issued securing the liabilities under the lease agreement of 5.09.2018. |
| Echo Investment S.A. | Projekt 12 - Grupa Echo Sp. z o.o. S.K.A. | Tesco (Polska) Sp. z o.o. | Nie dotyczy | 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 30.07.2019. Due to business and legal arrangements, the warranty has no upper limit potential liability. |
| Echo Investment S.A. | City Space Management Sp. z o.o. | Tryton Business Park Sp. z o.o. | 1 247 | 31.12.2022 | Security for the liabilities arising from the lease contract concluded on 12.06.2018. Guarantee issued in EUR. |
| Echo Investment S.A. | City space Management Sp. z o.o. | DH Supersam Katowice Sp. z o.o. Sp.k. | 385 | 31.12.2022 | Security for the liabilities arising from the lease agreement concluded on 28.02.2017. Guarantee issued in EUR. |
| PKO BP S.A. (commissioned by Echo Investment S.A.) | Sagittarius - Projekt Echo 113 Sp. z o.o. Sp.k. | Warburg-HiH Invest Real Estate GmbH | 982 | 20.05.2022 | Security of the liabilities arising from the rental guarantee contract. The maximum amount of the liability will be successively reduced as the amount of the liability that is secured by the guarantee decreases. |
| Echo Investment S.A. | Nobilis City Space GP Sp. z o.o. Sp.k. | Nobilis - Business House sp. z o.o. | 600 | 31.10.2027 | Guarantee securing liabilities resulting from the annex to leasing agreement. Guarantee issued in EUR. |
| Echo Investment S.A. | Midpoint 71 — Cornwall Investments Sp. z o.o. S.K.A. | PKO BP S.A. | 39 000 | 31.12.2026 | Guarantee securing cost overrun and maintenance of unleased area on Midpoint 71 office project in Wrocław. |
| Echo Investment S.A. | Midpoint 71 — Cornwall Investments Sp. z o.o. S.K.A. | PKO BP S.A. | 19 984 | 31.12.2029 | Guarantee securing debt service cover ratio and covering rent-free periods in lease agreements on Midpoint 71 office project in Wrocław. Guarantee issued in EUR. |
| Santander Bank Polska S.A. (within the credit limit of Echo Investment S.A.) | Galeria Libero - Projekt Echo 120 Sp. z o.o. Sp.k. | Miasto Katowice | 758 | 20.01.2022 | Security under the warranty and the quality guarantee for the obligations resulting from the agreement on performing the road project concluded on 16.06.2016. |
| Echo Investment S.A. | Projekt Echo 130 Sp. z o.o. | Bank Pekao S.A. | 28 609 | 31.01.2024 | Guarantee securing cost overrun of the construction of Fuzja CDJ complex office project. |
| Echo Investment S.A. | Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k. | APAK Grundstücks- gesellschaft mbH & Co. KG | 48 968 | The later date: 9.11.2022 or the date of VAT refund from the office to the buyer. | Security for the proper performance of obligations arising under the sale contract of the Villa Offices (building K) being part of the Warsaw Brewery complex, as well as under the side letter. Issued in EUR and PLN. |
| Echo Investment S.A. | Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k. | APAK Grundstücks- gesellschaft mbH & Co. KG | 5 814 | 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. The maximum amount of the liability reduces, as the amount of the liability that is secured by the guarantee decreases. |

Financial, performance and other guarantees issued by Echo Investment S.A. as at 31 December 2021 [PLN '000]

| Guarantor | Issuer | Beneficiary | Value | Expiry date | Description |
|---|--|--|---------|---|--|
| 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. 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 16 - Grupa Echo Sp. z o.o. S.K.A. | R4R Gdańsk Stocznia Sp. z o.o. | 26 000 | 6 months at the latest from the end date according to the preliminary contract. | Conditional guarantee securing the reimbursement of the advance paid by the buyer under the preliminary real estate sale agreement. |
| Echo Investment S.A. | Projekt 146 - CitySpace GP Sp. z o.o. Sp.k. | Face2Face - Stranraer Sp. z o.o. S.K.A. | 722 | 29.04.2022 | Security for liabilities resulting from the lease agreement. Guarantee issued in EUR. |
| Echo Investment S.A. | Park Rozwoju - Projekt Echo 112 Sp. z o.o. Sp.k. | Kaufland Polska Markety Sp. z o.o. Sp.j. | 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 16 - Grupa Echo Sp. z o.o. S.K.A. | Wentel Sp. z o.o. | 26 000 | 6 months at the latest from the end date according to the preliminary contract. | 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. |
| Santander Bank Polska S.A. | Echo Investment S.A. | City of Warsaw | 25 000 | 30.10.2022 | 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. |
| Santander Bank Polska S.A. (within the credit limit of Echo Investment S.A.) | Echo Investment S.A. | The City of Poznań represented by the Municipal Roads Authority. | 3 384 | 31.07.2022 | Guarantee of proper performance of the contract. |
| Echo Investment S.A. | Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k. | Westinvest Gesellschaft für Investmentfonds mbH | 178 848 | 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 | 16 442 | Earlier on: 5.11.2031 or the date of hand over of office space to tenants and payment by them of the first payments resulting from the lease agreement and provision of appropriate security. | Security for the proper performance of obligations arising under rental guarantee related to the office space in the Malthouse Offices (building GH), being a part of the Warsaw Brewery complex. Guarantee issued in EUR. The maximum amount of the liability reduces, as the amount of the liability that is secured by the guarantee decreases. |
| Echo Investment S.A. | Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k. | Westinvest Gesellschaft für Investmentfonds mbH | 3 543 | 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. Guarantee issued in EUR. |

Financial, performance and other guarantees issued by Echo Investment S.A. as at 31 December 2021 [PLN '000]

| Guarantor | Issuer | Beneficiary | Value | Expiry date | Description |
|---|---|---|---------|-------------|--|
| Echo Investment S.A. | Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k. | Westinvest Gesellschaft für Investmentfonds mbH | 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. The maximum amount of the liability reduces, as the amount of the liability that is secured by the guarantee decreases. |
| PKO BP S.A. (on request Echo Investment S.A.) | Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k. | APAK Grundstücks-gesellschaft mbH & Co. KG | 616 | 9.07.2022 | 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. |
| Towarzystwo Ubezpieczeń Euler Hermes S.A. (on request and from the credit limit of Echo Investment S.A.) | Galeria Nova — Grupa Echo Sp. z o.o. S.K.A. | Apator Powogaz S.A. | 21 500 | 31.12.2022 | Guarantee of payment of the entire amount due the sale of a land property located in Poznań. |
| Echo Investment S.A. | Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A. | Portfel 2 PH5 Sp. z o.o. | 51 388 | 31.11.2023 | 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. | Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A. | Portfel 2 PH5 Sp. z o.o. | 6 591 | 21.11.2026 | Security for the proper performance of obligations arising under rental guarantee related to sale of Moje Miejsce I office building. Guarantee issued in EUR. 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. | Portfel 2 PH5 Sp. z o.o. | 3 789 | 21.11.2026 | Security for the proper performance of obligations arising under fit-out agreement related to sale of Moje Miejsce I office building. Issued in EUR. 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. | Portfel 2 PH5 Sp. z o.o. | 124 643 | 28.05.2030 | Security for the proper performance of obligations arising under quality guarantee agreement related to sale of Moje Miejsce I office building. The maximum amount of the liability is to reduce consecutively. |
| Echo Investment S.A. | Cinema Asset Manager - Grupa Echo Sp. z o.o. S.K.A. | Kaufland Polska Markety Sp. z o.o. Sp.j. | 2 500 | 2.11.2036 | Conditional guarantee of the contractual penalty payment, resulting from the lease agreement in Kapelanka shopping centre in Cracow. |
| Echo Investment S.A. | City Space Management Sp. z o.o. | Projekt 17 - Grupa Echo Sp. z o.o. S.K.A. | 833 | 31.12.2022 | Bank guarantee securing the liabilities under the lease agreement. |
| Santander Bank Polska S.A. (within the credit limit of Echo Investment S.A.) | Elektrownia RE Sp. z o.o. | City of Łódź | 796 | 18.10.2022 | Payment guarantee related to the agreement concerning of implementing a road investment. |
| Santander Bank Polska S.A. (within the credit limit of Echo Investment S.A.) | Elektrownia RE Sp. z o.o. | City of Łódź | 695 | 18.10.2022 | Payment guarantee related to the agreement concerning of implementing a road investment. |

Financial, performance and other guarantees issued by Echo Investment S.A. as at 31 December 2021 [PLN '000]

| Guarantor | Issuer | Beneficiary | Value | Expiry date | Description |
|----------------------|--|---|------------------|-------------|---|
| Echo Investment S.A. | Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k. | Westinvest Gesellscha- ft für Investmentfonds mbH | 8 279 | 30.11.2026 | Security for the proper performance of ob- ligations arising under the sale agreement of the building "Villa Schiele", being part of the Warsaw Brewery complex. Issued in EUR. The maximum amount of the liability reduces, as the amount of the liability that is secured by the guarantee decreases. |
| Echo Investment S.A. | Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k. | Westinvest Gesellscha- ft für Investmentfonds mbH | 9 159 | 30.11.2031 | Security for the proper performance of obligations arising under quality guarantee agreement regarding building "Villa Schie- le", being part of the Warsaw Brewery complex. |
| Total | | | 1 666 246 | | |

Changes in guarantees issued by Echo Investment S.A. in 2022 [PLN '000]

| Change | Guarantor | Issuer | Beneficiary | Value | Expiry date | Description |
|-----------|---|--|--|-------|-------------|--|
| Expiry | Echo Investment S.A. | Echo - Opolska Business Park Sp. z o.o. Sp.k. | EPP Office O3 Business Campus Sp. z o.o. | - | 28.05.2022 | Corporate guarantee securing rental guarantee related to the sale of O3 Business Campus II in Kraków. Guarantee partially issued in EUR. |
| Expiry | Echo Investment S.A. | 142 - City Space - GP Sp. z o.o. Sp.k. | Berea Sp. z o.o. | 22 | 31.03.2022 | Security for the liabilities arising from the lease agreement concluded on 21 May 2019. Guarantee issued in EUR. |
| Extension | Echo Investment S.A. | City Space Management Sp. z o.o. | Aquarius SR Sp. z o.o. | 28 | 31.12.2023 | Bank guarantee securing the liabilities under the lease agreement of 5 September 2018. |
| Expiry | Echo Investment S.A. | 142 - City Space - GP Sp. z o.o. Sp.k. | Berea Sp. z o.o. | 114 | 31.03.2022 | Security for the liabilities arising from the lease agreement concluded on 21 May 2019. Guarantee issued in EUR. |
| Expiry | PKO BP S.A. - biuro finansowania handlu | Echo Investment S.A. | Gmina Miejska Kraków | 282 | 10.05.2022 | Guarantee of proper performance of the contract. |
| Extension | PKO BP S.A. | Echo Investment S.A. | APAK Grundstücksgesellschaft 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 S.A. | City Space Management Sp. z o.o. | Aquarius SR Sp. z o.o. | 662 | 31.12.2023 | Bank guarantee issued securing the liabilities under the lease agreement of 5 September 2018. |
| Extension | 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. |
| Expiry | Santander Bank Polska S.A. | Galeria Libero - Projekt Echo 120 Sp. z o.o. Sp.k. | Urząd Miasta Katowice | 758 | 20.01.2022 | Security under the warranty and the quality guarantee for the obligations resulting from the agreement on performing the road project concluded on 16 June 2016. |
| Issue | 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. |
| Issue | Echo Investment S.A. | Projekt 146 - CitySpace GP Sp. z o.o. Sp.k. | Face2Face - Stranraer Sp. z o.o. S.K.A. | 783 | 30.04.2023 | Security for liabilities resulting from the lease agreement concluded on 30 September 2020. Guarantee issued in EUR. |
| Extension | Santander Bank Polska S.A. | 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. |
| Issue | Echo Investment S.A. | City Space Management Sp. z o.o. | Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A. | 962 | 25.05.2023 | Corporate guarantee securing the City Space Management lease agreement. Guarantee issued in EUR. |
| Issue | Echo Investment S.A. | Projekt Echo 130 Sp. z o.o. | FARKAS Grundstücksgesellschaft mbH & Co. KG | 1 023 | 30.06.2025 | Corporate guarantee securing the rent guarantee related to the sale of Fuzja CDJ in Lodz (retail part). Guarantee issued in EUR. |

Changes in guarantees issued by Echo Investment S.A. in 2022 [PLN '000]

| Change | Guarantor | Issuer | Beneficiary | Value | Expiry date | Description |
|-----------|---|---|---|--------|-------------|--|
| Extension | Echo Investment S.A. | City Space Management Sp. z o.o. | Tryton Business Park Sp. z o.o. | 1 307 | 31.12.2023 | Security for the liabilities arising from the lease contract concluded on 12 June 2018. Guarantee issued in EUR. |
| Expiry | Echo Investment S.A. | Projekt 132 - City Space GP Sp. z o.o. Sp.k. | Echo - Opolska Business Park Sp. z o.o. Sp.k. | 2 217 | 30.06.2022 | Security for the liabilities arising from the lease agreement concluded on 4 June 2019. Modified by the annex of 22 May 2020. Gwarancja wystawiona in EUR. |
| Expiry | Generali Towarzystwo Ubezpieczeń S.A. | Echo Investment S.A. | Miasto Stołeczne Warszawa | 2 925 | 31.12.2025 | Guarantee of proper performance of the contract. |
| Issue | Santander Bank Polska S.A. | Echo Investment S.A. | Miasto Poznań reprezentowane przez Zarząd Dróg Miejskich w Poznaniu | 3 384 | 31.07.2022 | Guarantee of proper performance of the contract in connection with the contract No. 4 / WIR / 2022 of 6 April 2022, concerning the construction of the municipal road 2 KDD, concluded between the Obligated and the Beneficiary. |
| Issue | Echo Investment S.A. | Echo - Nowy Mokrów Sp. z o.o. Sp. k. | Miasto Stołeczne Warszawa | 5 000 | 30.04.2029 | Guarantee of reimbursement of compensation taking into account claims regarding plot 11/19 at ul. Chłodna. |
| Issue | Echo Investment S.A. | Projekt Echo 130 Sp. z o.o. | FARKAS Grundstücksgesellschaft mbH & Co. KG | 5 260 | 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. |
| Issue | 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. |
| Expiry | PKO BP S.A. - biuro finansowania handlu | Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k. | LUX Europa III S.a.r.l. | 6 450 | 20.05.2022 | Security for the liabilities arising from the contract of quality guarantee concluded on 27 March 2019. |
| Issue | Echo Investment S.A. | Projekt 17 - Grupa Echo Sp. z o.o. S.K.A. | Barcarrota Sp. z o.o. | 7 054 | 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 Phase I. Rent guarantee issued in EUR. |
| Issue | 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. |
| Expiry | Echo Investment S.A. | Projekt 17 - Grupa Echo Sp. z o.o. S.K.A. | Bank Millennium S.A. | 8 045 | 31.01.2022 | Guarantee of exceeding the costs of performing the West 4 Business Hub office project in Wrocław. |
| Issue | Echo Investment S.A. | Face2Face - Stranraer Sp. z o.o. S.K.A. | Huramitell Investments Sp. z o.o. | 9 181 | 23.02.2030 | Security for the proper performance of obligations arising under rental guarantee related to sale of Face2Face office buildings. The maximum amount of the liability reduces during given calendar year, as the amount of the liability that is secured by the guarantee decreases. Guarantee issued in EUR. |
| Issue | 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. |
| Issue | Echo Investment S.A. | Projekt 17 - Grupa Echo Sp. z o.o. S.K.A. | Barcarrota Sp. z o.o. | 12 580 | 20.01.2028 | Security for the proper performance of obligations arising under fit-out works agreement re. West 4 Business Hub Phase I. Guarantee issued in EUR. |

Changes in guarantees issued by Echo Investment S.A. in 2022 [PLN '000]

| Change | Guarantor | Issuer | Beneficiary | Value | Expiry date | Description |
|-----------|---|---|---|--------|-------------|---|
| Issue | Echo Investment S.A. | Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A. | SER Poland Sp. z o.o. | 13 296 | 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. |
| Expiry | Echo Investment S.A. | Metropolis — Projekt Echo 121 Sp. z o.o. S.K.A. | Giant Sp. z o.o. | 17 000 | 30.05.2022 | Security for the payment of the guarantee amount and contractual penalty under the preliminary sales contract of 17 March 2022. |
| Expiry | Echo Investment S.A. | Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A. | PKO BP S.A. | 21 159 | 30.06.2022 | Guarantee securing debt service cover ratio and covering rent-free periods in lease agreements on Midpoint 71 office project in Wrocław. Guarantee issued in EUR. |
| Expiry | Towarzystwo Ubezpieczeń Euler Hermes S.A. | Galeria Nova - Grupa Echo Sp. z o.o. S.K.A. | Apator Sp. z o.o. | 21 500 | 31.12.2022 | Guarantee of payment of the entire amount due the sale of a land property located in Poznań. |
| Extension | 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. |
| Issue | Echo Investment S.A. | Projekt Echo 130 Sp. z o.o. | Fujitsu Technology Solutions Sp. z o.o. | 25 787 | 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. |
| Expiry | Echo Investment S.A. | Projekt Echo 130 Sp. z o.o. | Bank Pekao S.A. | 28 609 | 30.06.2022 | Guarantee securing cost overrun of the construction of Fuzja CDJ complex office project. Issued in PLN. |
| Issue | Echo Investment S.A. | Projekt Echo 130 Sp. z o.o. | FARKAS Grundstücksgesellschaft mbH & Co. KG | 31 402 | 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. |
| Issue | Echo Investment S.A. | Projekt 17 - Grupa Echo Sp. z o.o. S.K.A. | Barcarrota Sp. z o.o. | 34 458 | 31.12.2027 | Security for the proper performance of obligations arising under the sale agreement of the building West 4 Business Hub Phase I. Guarantee issued in EUR. |
| Issue | Echo Investment S.A. | Projekt Echo 130 Sp. z o.o. | FARKAS Grundstücksgesellschaft mbH & Co. KG | 34 568 | 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. . |
| Expiry | Echo Investment S.A. | Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A. | PKO BP S.A. | 36 000 | 30.06.2022 | Security for exceeding the costs of performing the Moje Miejsce office project in Warsaw. |
| Expiry | Echo Investment S.A. | Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A. | PKO BP S.A. | 39 000 | 30.06.2022 | Guarantee securing cost overrun and maintenance of unleased area on Midpoint 71 office project in Wrocław. |
| Issue | 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. |
| Issue | 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. |

Changes in guarantees issued by Echo Investment S.A. in 2022 [PLN '000]

| Change | Guarantor | Issuer | Beneficiary | Value | Expiry date | Description |
|--------|----------------------|--|---|---------|-------------|--|
| Expiry | Echo Investment S.A. | Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k. | APAK Grundstücksgesellschaft mbH & Co. KG | 49 932 | 11.09.2022 | Security for the proper performance of obligations arising under the sale contract of the Villa Offices (building K) being part of the Warsaw Brewery complex, as well as under the side letter. Guarantee issued EUR and PLN. |
| Expiry | Echo Investment S.A. | Face2Face - Stranraer Sp. z o.o. S.K.A. | Bank Pekao S.A. | 70 000 | 29.07.2022 | Guarantee securing cost overrun, covering interests on minimal level and securing own contribution on Face2Face office project in Katowice. |
| Issue | 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 Phase I. |
| Issue | Echo Investment S.A. | Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A. | SER Poland Sp. z o.o. | 101 159 | 31.03.2030 | Corporate guarantee securing the sale agreement of Midpoint 71 in Wrocław. Guarantee issued in EUR. |
| Issue | 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. |
| Issue | 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. Issued in EUR. |
| Expiry | Echo Investment S.A. | Rosehill Investments Sp. z o.o. | IB 6 FIZAN w likwidacji | 111 628 | 31.03.2022 | Security for the proper performance of the obligations resulting from the program contract concluded on 31 August 2017. Guarantee issued in EUR. |
| Issue | 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. |
| Issue | 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. |

Explanatory notes to standalone profit and loss account

NOTE 19A

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

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|--|--------------------------|--------------------------|
| Revenues due to contracts with clients | 338 055 | 434 534 |
| Sale of residential and commercial space | 21 655 | 270 336 |
| Development services | 75 724 | 69 330 |
| including from related entities | 75 724 | 69 279 |
| from subsidiaries | 51 028 | 48 883 |
| from joint-ventures | 24 696 | 20 396 |
| Sale of plots of land | 169 289 | 39 610 |
| including from related entities | 169 289 | 39 610 |
| from joint-ventures | - | 9 139 |
| from subsidiaries | 169 289 | 30 471 |
| Legal, accounting, consulting and IT services | 2 156 | 2 837 |
| including from related entities | 2 156 | 2 837 |
| from subsidiaries | 2 156 | 2 837 |
| Financial, marketing, security services and other revenue | 69 231 | 52 421 |
| including from related entities | 59 909 | 46 142 |
| from subsidiaries | 58 095 | 44 158 |
| from joint-ventures | 1 814 | 1 935 |
| from key personnel | - | 49 |
| Revenues due to lease contracts | 15 680 | 3 188 |
| Lease services | 15 680 | 3 188 |
| including from related entities | 1 130 | 116 |
| from subsidiaries | 1 130 | 116 |
| Total operating income | 353 735 | 437 722 |
| including from related entities | 308 208 | 157 984 |
| from subsidiaries | 281 698 | 126 465 |
| from joint-ventures | 26 510 | 31 470 |
| from key personnel | - | 49 |

The Company did not enter into contracts with affiliated entities on terms and conditions other than at arm's length. Contracts relating to significant transactions with the affiliat-

ed entities executed in 2022 are presented by the Company in the additional notes.

NOTE 19B

Revenues by type of activity [PLN '000]

The company did not conclude transactions with affiliated entities on terms other than market terms. Agreements regarding significant transactions with affiliate entities implemented in the previous year were presented by the Company in additional explanations.

Revenues related to development activity - sale of residential and commercial units

The Company recognizes revenue when the obligation to perform the service is met. The obligation to perform the service is considered fulfilled upon the release of the property to the buyer, which takes place on the basis of

the acceptance protocol signed by the parties only after the completion of the property construction process and receipt of the occupancy permit, and provided that the buyer makes 100 percent payments for the purchase price property. Agreements concluded within this group of revenues do not contain the element of variable remuneration. In addition, in the Company's opinion, the concluded contracts do not contain a significant financing element. Due to such nature of contracts, the Company, as a rule, does not show receivables or other assets balances under contracts related to this group of revenues. The contractual obligations reflect the short-term down payments made by the clients. The table below presents changes in the liabilities balance under agreements in relation to this group of revenues.

Revenues by type of activity [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|--|--------------------------|--------------------------|
| Short-term advanced payments received (note 9A) | 13 671 | 83 253 |
| — opening balance | | |
| Increase — payments | 7 989 | 200 754 |
| Presented as revenue in the period | (21 655) | (270 336) |
| - including revenue in the period, recognized in received advanced payments balance at the beginning of th | (13 671) | (83 253) |
| Short-term advanced payments received (note 9A) | 5 | 13 671 |
| — closing balance | | |

The total value of revenues to be recognized in the future related to the obligations to perform the contract for the sale of residential and commercial space under contracts signed as at the balance sheet date, 31 December 2022 is PLN 3,635 thousand, of which up to the balance sheet date the Company received advance payments in the

amount of PLN 5 thousand. These revenues will be recognized when real estate is handed over to buyers, after construction is completed and necessary administrative decisions are obtained, which occurs on average after a period of approximately 1-3 months after the completion of construction.

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

| Project | Targeted completion | Targeted revenue | Total value deferred revenue related to liabilities resulting from concluded agreements | 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 | | 440 812 | 3 635 | 5 |

Revenue related to development services as at 31 December 2021 [PLN '000]

| Project | Targeted completion | Targeted revenue | Total value deferred revenue related to liabilities resulting from concluded agreements | Received advanced payments |
|----------------------------------|---------------------|------------------|---|----------------------------|
| Osiedle Bonarka Living I, Kraków | completed | 69 520 | 9 275 | 5 567 |
| Osiedle Jarzębinowe VII, Łódź | completed | 37 015 | - | - |
| Osiedle Jarzębinowe VIII, Łódź | completed | 40 807 | 6 682 | 5 632 |
| Nowa Dzielnica, Łódź | completed | 30 254 | 941 | - |
| Grota - Roweckiego 111 etap III | completed | 16 232 | 44 | - |
| Nasze Jeżyce, Poznań | completed | 57 997 | 66 | - |
| Nasze Jeżyce II, Poznań | completed | 64 554 | 355 | 222 |
| Apartamenty Esencja, Poznań | completed | 116 862 | 2 782 | - |
| Ogrody Graua, Wrocław | completed | 44 869 | 5 087 | 2 059 |
| other projects | | 191 | 191 | 191 |
| Total | | 478 301 | 25 423 | 13 671 |

Revenues on development services

The Company provides services for implementation of development projects: preparation and organisation of the investment process of projects owned by other entities - mostly subsidiaries. As part of its duties, the Company undertakes to perform supervisory, management, legal and other activities necessary to manage the investment. The process includes preparation of investments, organisation and service of tenders for construction works, supervision and coordination of construction works as well as customer. The company recognises revenues at the time of fulfilment of the obligation to perform the service, i.e. during the service provision period. The remuneration resulting from the concluded contracts is permanent and due to the Company monthly. In addition, in the Company's opinion, the concluded contracts do not contain a significant element of financing. Due to such nature of the contracts signed, there are no significant balances of assets or liabilities under contracts, except for trade receivables (see note 9).

Other revenues of the company

The Management Board analysed the other contracts for the provision of services, including real estate intermediation services, book-keeping, legal, consulting, informatic, financial, marketing and other services, most of which are carried out for affiliated entities within activities under Echo Investment S.A.'s holding company. The Company recognises the revenue when the obligation to perform the service is fulfilled, i.e. for certain contracts — at the time of completion of a given type of service (e.g. signing a real estate sale contract as a result of the real estate intermediation service) or during the provision of a given type of service (e.g. period of provision of bookkeeping services, marketing services, consultancy, legal and property management). In the majority of cases, services are provided on a monthly basis and are thus accounted for and payable to the Company. For some contracts (e.g. real estate intermediation) the remuneration resulting from concluded contracts contains a variable element, however, the nature of these contracts shows that the Company is entitled to remuneration only when the contractual obligation is fulfilled, which results in the fact that the variable remuneration is known at the moment of recognizing revenue and its value is not changed later. Moreover, in the Company's opinion, the concluded agreements do not contain a significant element of financing. In connection with this nature of the contracts signed, there are no significant balances of assets or liabilities under contracts, other than trade receivables (see note 9).

NOTE 19C

Operating revenue - territorial structure [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|--|--------------------------|--------------------------|
| Domestic | 353 735 | 437 722 |
| including from related entities | 308 208 | 157 984 |
| Abroad | - | - |
| including from related entities | - | - |
| Total net revenue from sale of products | 353 735 | 437 722 |
| including from related entities | 308 208 | 157 984 |

NOTE 19D

Operating income - subleasing [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|----------------|--------------------------|--------------------------|
| Lease services | 5 849 | 785 |
| Total | 5 849 | 785 |

Operating expenses by type [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|---|--------------------------|--------------------------|
| Value of goods and materials sold | - | - |
| Amortization | 10 024 | 9 806 |
| Consumption of materials and energy | 6 491 | 232 275 |
| External services, including: | 106 217 | 193 166 |
| — construction | 20 105 | 121 563 |
| — advisory | 25 563 | 20 598 |
| — rental | 11 491 | 1 394 |
| — selling costs | 4 275 | 5 964 |
| Taxes and charges | 5 339 | 2 947 |
| Remuneration | 56 394 | 53 522 |
| Social security and other benefits | 11 174 | 10 727 |
| Other costs by type (due to), including: | 7 688 | 6 752 |
| — business travel | 1 109 | 1 109 |
| — other | 6 579 | 5 643 |
| Total | 203 327 | 509 195 |
| Movement in inventory of products | 149 487 | (58 678) |
| Administrative expenses related to projects* | (22 844) | (14 900) |
| Selling expenses (negative value)* | (18 698) | (19 583) |
| General administrative expenses (negative value)* | (73 599) | (87 640) |
| Manufacturing cost of products sold | 237 673 | 328 394 |

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

NOTE 21A

Other operating revenue [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|---|--------------------------|--------------------------|
| Released provisions | - | 1 448 |
| for expected costs | - | 1 448 |
| Other, including: | 8 284 | 936 |
| contractual penalties and compensation | - | 32 |
| profit from sale of debt | 94 | 621 |
| revenue from sale of non-financial non-current assets | 8 190 | 283 |
| Interest on borrowings and bonds | 84 016 | 48 304 |
| from related entities, including: | 83 984 | 48 304 |
| from subsidiaries | 70 391 | 37 670 |
| from joint-ventures | 13 593 | 10 634 |
| Depreciation | 6 399 | 24 766 |
| on loans and bonds | 6 399 | 24 766 |
| Other interests | 523 | 1 |
| from other entities | 523 | 1 |
| Profit from the sale of shares | 6 612 | 6 206 |
| Total | 105 834 | 81 661 |

NOTE 21B

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

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|--|--------------------------|--------------------------|
| From related entities including | 177 982 | 54 554 |
| from subsidiaries | 177 982 | 54 554 |
| Total | 177 982 | 54 554 |

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 29,6 million, and as at 31 December 2022 amounted PLN 23,2 million.

NOTE 21C

Other operating expenses [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|---|--------------------------|--------------------------|
| Provisions established | 4 525 | 468 |
| - due to expected costs | 4 073 | - |
| - due to receivables | 452 | 468 |
| Other, including: | 1 917 | 600 |
| - donations | 1 207 | 407 |
| - contractual penalties | 83 | - |
| - other | 627 | 193 |
| Revaluation of investments, including: | 24 148 | 18 438 |
| - shares | 24 148 | 18 438 |
| Total | 30 590 | 19 506 |

NOTE 22A

Financial income from interest [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|-----------------------|--------------------------|--------------------------|
| Other interest | | |
| from other entities | 9 | 3 |
| Total | 9 | 3 |

NOTE 22B

Financial income [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|--------------------------------------|--------------------------|--------------------------|
| Profit from using the IRS | 7 268 | - |
| Revaluation of financial derivatives | - | 13 575 |
| Other | 740 | - |
| Total | 8 008 | 13 575 |

NOTE 22C

Financial costs of interest [PLN' 000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|--|--------------------------|--------------------------|
| Interests and depreciation of loans, borrowings and bonds | | |
| - for related entities | 13 123 | 7 190 |
| - for subsidiaries | 13 123 | 7 190 |
| - for other entities | 133 011 | 67 788 |
| | 146 134 | 74 978 |
| Other interest | | |
| - for other entities | 7 | 32 |
| | 7 | 32 |
| On lease | | |
| - for other entities | 3 930 | 1 666 |
| | 3 930 | 1 666 |
| Total | 150 071 | 76 676 |

As at 31 December 2022, borrowing costs were not activated, and as at 31 December 2021, the amount of borrowing costs capitalized to the value of inventories

amounted to PLN 472 thousand (capitalization rate 1.25 percent)

NOTE 22D

Financial costs [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|-------------------------------------|--------------------------|--------------------------|
| Foreign exchange losses | 1 906 | 201 |
| executed | (54) | (6 529) |
| non-executed | 1 960 | 6 730 |
| Loos on closing - FX options | - | 785 |
| IRS | - | 785 |
| Other, including | 9 898 | 8 728 |
| commissions | 9 898 | 4 266 |
| other | - | 4 462 |
| liquidation of entities | - | - |
| Depreciation of investments | 577 | - |
| IRS | 577 | - |
| Total | 12 381 | 9 714 |

NOTE 23A

Income tax - effective tax rate [PLN '000]

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|--|--------------------------|--------------------------|
| Profit before tax | 99 712 | 32 435 |
| Income tax according to the national rates 19 percent | 18 945 | 6 163 |
| Dividends received | (24 605) | (8 740) |
| Distribution of profit from limited partnerships (Sp.K.) | (9 212) | (1 626) |
| Company's tax burden relative to the result of limited partnerships (subsidiaries) | - | 135 |
| Representation costs and other non-deductible costs during the year | 14 494 | 9 693 |
| Provision for expected cost | 774 | (655) |
| Measurement of interests of a subsidiary representing a permanent difference | 4 588 | 1 868 |
| Write-downs on loans granted due to which deferred tax was not recognised | (869) | (2 329) |
| Adjustment from previous years recognized in the result (current year) | (4 611) | - |
| Movements in the measurement of other items | (4) | 84 |
| Charges on the financial result due to income tax | (500) | 4 593 |

NOTE 23B

Deferred tax, term of settlement [PLN '000]

| | 31.12.2022 | 31.12.2021 |
|---------------------------------|---------------|---------------|
| Deferred tax liabilities | | |
| to be settled within 12 months | 20 322 | 18 702 |
| to be settled after 12 months | (218) | 3 318 |
| Deferred tax assets | | |
| to be settled within 12 months | - | - |
| to be settled after 12 months | (7 709) | (5 343) |
| Total | 12 396 | 16 677 |

NOTE 23C

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

| | 31.12.2022 | 31.12.2021 |
|---|--------------|--------------|
| Current income tax | | |
| current tax burden due to income tax | 3 554 | 11 906 |
| adjustments relative to current income tax result from previous years | 226 | (4 455) |
| Deferred income tax | | |
| related to arises and changes of temporary differences | (4 280) | (2 858) |
| Total | (500) | 4 593 |

NOTE 24

Profit distribution

The Ordinary General Meeting of Shareholders of Echo Investment S.A. was held on 15 June 2022. The shareholders adopted a resolution to allocate the profit generated in 2021. The net profit of PLN 27.8 million, increased by the amount of PLN 153.7 million from the Dividend Fund - a total of PLN 182 million - was allocated for distri-

bution to all shareholders of the Company. The dividend amount per share was PLN 0.44. The amount of PLN 90.8 million, or PLN 0.22 per share, was paid on 28 December 2021 as an advance dividend. The remaining part of the dividend was paid on 26 July 2022.

Explanatory notes to cash flow statement

NOTE 25A

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

| | 1.01.2022- 31.12.2022 | 1.01.2021- 31.12.2021 |
|-----------------------------------|--------------------------|--------------------------|
| Opening balance, including | 74 239 | 107 437 |
| cash in hand and cash equivalents | 74 239 | 107 437 |
| Closing balance | 116 073 | 74 239 |
| cash in hand and cash equivalents | 116 073 | 74 239 |

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.

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 | - |
| Cash flow | | |
| - inflows | 225 822 | - |
| - expenses | (612 954) | (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 | 1 879 411 | - |

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 2021 | 1 712 510 | - |
| Cash flow | | |
| - inflows | 745 009 | - |
| - expenses | (776 086) | (193 965) |
| Non-monetary changes | 272 832 | 193 965 |
| - accrued interest | 73 952 | - |
| - loan compensation | 188 000 | - |
| - valuation of exchange rate differences | (8 302) | - |
| - valuation at the effective interest rate | 6 246 | - |
| - dividend paid | - | 193 965 |
| - due to other financial liabilities | 785 | - |
| - due to lease contracts | 9 704 | - |
| - expenses | 2 447 | - |
| As at 31 December 2021 | 1 954 265 | - |

Information on financial instruments [PLN '000]

| Type of instrument | Note | Classification according to IFRS 9 | Balance value | |
|---|--------|------------------------------------|---------------|---------------|
| | | | at 31.12.2022 | at 31.12.2021 |
| Financial assets | | | | |
| Long-term and short-term financial assets | | | 64 157 | 106 222 |
| Bonds | 5 | amortized cost | 64 157 | 106 222 |
| Borrowings and receivables | | | 1 178 872 | 1 468 126 |
| Long-term borrowings | 6 | amortized cost | 502 672 | 1 379 100 |
| Short-term borrowings | 11 | amortized cost | 567 908 | 262 |
| Trade payables | 10 | amortized cost | 43 495 | 29 189 |
| Leasing | 8, 10 | amortized cost | 38 546 | 40 653 |
| Loans granted | 6 | fair value | 26 251 | 18 922 |
| Cash and other monetary assets | | | 116 073 | 76 643 |
| Other financial assets | | amortized cost | - | 2 404 |
| Cash and cash equivalents | | amortized cost | 116 073 | 74 239 |
| Financial liabilities | | | | |
| Other financial liabilities | | | 1 899 547 | 3 363 055 |
| Liabilities due to issue of debt securities | 14, 16 | amortized cost | 1 404 500 | 1 710 003 |
| Trade liabilities | 15 | amortized cost | 20 137 | 179 920 |
| Borrowings | 14, 16 | amortized cost | 208 489 | 1 168 209 |
| Loans | 14, 16 | | 155 399 | 164 577 |
| Leasing | 14, 16 | amortized cost | 96 146 | 133 376 |
| Loans granted | 15 | fair value | 14 876 | 6 970 |

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 benchmark interest rates (the IBOR reform), the International Accounting Standards Board has published the second part of the amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. The amendments address accounting issues that will arise when financial instruments based on the IBOR change to the new interest rates. The amendments effective 1 January 2021 introduced a number of guidelines and exemptions, in particular a practical simplification for contract modifications required by the reform, which will be recognised by an update of the effective interest rate, an exemption from the obligation to terminate hedge accounting, a temporary exemption from the need to identify the risk component, and the obligation to include additional disclosures. The aforementioned changes were

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

The National Working Group for benchmark reform (NWG), appointed by the Polish Financial Supervision Authority, has been working on the introduction of a new RFR-type benchmark, WIRON (Warsaw Interest Rate Overnight), which will replace WIBOR and WIBID. The Roadmap published by the NWG explains that the change is being made in accordance with the BMR Regulation as part of the IBOR reform. The reform is planned to be

completed by the end of 2024, with the introduction by market participants of a new range of financial products using the WIRON index planned for 2023 and 2024. The way in which the existing rates will be replaced by WIRON will be regulated in the Regulation of the Minister of Finance planned for 2023, which will specify the replacement dates and the corrective spread. The Roadmap assumptions also indicate that the WIBOR and WIBID benchmark rates will be discontinued from the beginning of 2025. The Management Board has been monitoring the changes and, as at the date of the standalone financial statements, is not in a position to clearly determine the impact of the reform.

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

| Instrumenty zmiennoprocentowe | at 31.12.2022 | at 31.12.2020 |
|-------------------------------|--------------------|--------------------|
| Financial assets | 180 230 | 182 865 |
| Financial liabilities | 1 768 388 | 3 042 789 |
| Total net | (1 588 158) | (2 859 924) |

CHAPTER 3

Information on financial statement of the Company



Pic. Lobby in the Brain Park office building in Krakow

New standards and interpretations that are effective as of 1 January 2022

The following amendments to existing standards issued by the International Accounting Standards Board (IASB) and endorsed for use in the EU enter into force for the first time in the Group's 2022 financial statements:

Amendments to IFRS 3 'Business Combinations'

Issued in May 2020, the amendments to the standard aim to update the relevant references to the Conceptual Framework in IFRS Standards, without making substantive changes to the accounting for business combinations.

Amendments to IAS 16 "Property, plant and equipment".

They regulate the issue of the cost of property, plant and equipment and amounts received from selling items produced in the course of their testing. The amended standard requires that proceeds from selling test production and related costs be recognised in the statement of profit or loss, eliminating the possibility of adjusting the value of constructed fixed assets by these amounts.

Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'

They provide clarification on which costs should be taken into account when evaluating whether a contract will be loss-making and constitutes an onerous contract.

Annual Improvements Program to IFRS Standards 2018 — 2020

"Annual Improvement Program to IFRS Standards 2018 - 2020" introduces amendments to standards: IFRS 1 'First-time Adoption of International Financial Reporting Standards', IFRS 9 'Financial Instruments', IAS 41 'Agriculture' and the illustrative examples to IFRS 16 'Leases'. The amendments provide clarifications and refine the standards' guidance on recognition and measurement.

The aforementioned amendments to existing standards did not have a material impact on the Company's 2022 financial statements.

02

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

IFRS 17 ‘Insurance contracts’ and amendments to IFRS 17

IFRS 17 ‘Insurance Contracts’ was issued by the International Accounting Standards Board on 18 May 2017, while the amendments to IFRS 17 were issued on 25 June 2020. The new standard is effective for annual periods beginning on or after 1 January 2023. IFRS 17 Insurance Contracts will replace the current IFRS 4, which allows for a variety of accounting practices relating to insurance contracts. The new standard will fundamentally change the accounting for all entities that deal with insurance contracts and investment contracts; however, the scope of the standard is not limited to insurance companies only, and contracts entered into by entities other than insurance companies may also contain an element that meets the definition of an insurance contract (as defined in IFRS 17).

Amendments to IAS 1 “Presentation of Financial Statements” and the IFRS Board’s guidelines on disclosures related to accounting policies in practice

The amendment to IAS 1 requires disclosures of material information about accounting policies, as defined in the standard. The amendment clarifies that information on accounting policies is material if, in its absence, readers of the financial statements would not be able to understand other relevant information in the financial statements. In addition, the Board’s guidelines for applying the concept of materiality in practice were also revised to provide guidelines for applying the concept of materiality to disclosures related to accounting policies.

(The amendment is effective from 1 January 2023).

Amendments to IAS 8 ‘Accounting Policies, Changes in Accounting Estimates and Errors’

In 2021, the Board issued the amendment to IAS 8 ‘Accounting Policies, Changes in Accounting Estimates and Errors’ regarding the definition of estimates. The amend-

ment to IAS 8 clarifies how entities should differentiate between changes in accounting policies and changes in accounting estimates.

(The amendment is effective from 1 January 2023).

Amendments to IAS 12 “Income Taxes”.

The amendments to IAS 12 clarify how to account for deferred tax arising from transactions such as leases and decommissioning liabilities. Before the amendments to the standard, there were uncertainties as to whether the recognition of equal amounts of an asset and a liability for accounting purposes (e.g. the initial recognition of a lease) with no impact on current tax settlements results in the need to recognise deferred tax balances or whether the so-called initial recognition exemption, which specifies that deferred tax balances are not recognised if the recognition of an asset or liability has no impact on the accounting or tax outcome at the time of that recognition, applies. The amended IAS 12 regulates this by requiring the recognition of deferred tax in the above situation by making an additional provision that the exemption from initial recognition does not apply if an entity simultaneously recognises an asset and an equivalent liability and each creates temporary differences.

(The amendment is effective for financial statements for periods beginning on or after 1 January 2023).

Amendment to IFRS 17 “Insurance Contracts”

The amendment relates to the transitional requirements in connection with the first-time application of IFRS 17 “Insurance Contracts” and IFRS 9 “Financial Instruments”. The purpose of the amendment is to ensure the usefulness of financial information for investors in the period of first-time application of the new standard by introducing certain simplifications with regard to the presentation of comparative information.

The amendment relates only to the application of the new IFRS 17 standard and does not affect any other requirements in IFRS 17.

Amendment to IFRS 16 ‘Leases’

In September 2022, the Board amended IFRS 16 ‘Leases’ by completing the requirements for subsequent measurement of lease obligations arising from sale and lease-back transactions, where the criteria of IFRS 15 are met and the transaction should be accounted for as a sale. The amendment requires a seller-lessee to subsequently measure lease obligations arising from a sale-leaseback so that a gain or loss on the retained right-of-use is not recognised. The new requirement is particularly relevant where the sale-leaseback includes variable lease payments that do not depend on an index or rate, as these

payments are excluded from ‘lease payments’ in accordance with IFRS 16. The amended standard includes a new example that illustrates the application of the new requirement in this regard.

(The amendment is effective from 1 January 2024).

Amendments to IAS 1 ‘Presentation of financial statements’

In 2020, the Board issued the amendments to IAS 1, which clarify the presentation of liabilities as long- and short-term. In October 2022, the Board issued further amendments to IAS 1, which address the classification of liabilities as long- and short-term, for which an entity is required to meet certain contractual requirements known as covenants. The amended IAS 1 standard states that liabilities are classified as either short- or long-term depending on the rights that exist at the end of the reporting period. Neither an entity’s expectations nor events after the reporting date (for example, waiver or breach of a covenant) affect the classification.

(The issued amendments are effective for financial statements for periods beginning on or after 1 January 2024).

At the date of these financial statements, the amendments have not yet been approved by the European Union.

IFRS 14 “Regulatory Accruals”

This standard allows entities that prepare their financial statements in accordance with IFRS for the first time (on or after 1 January 2016) to recognise amounts arising from operations with regulated prices in accordance with their existing accounting policies. In order to improve comparability, with entities that already apply IFRS and do not report such amounts, according to the issued IFRS 14, amounts arising from price-regulated operations should be presented in a separate item both in the financial situation statement and in the income statement and the statement of other comprehensive income. Following a decision by the European Union, IFRS 14 will not be approved.

Amendments to IFRS 10 and IAS 28 related to sale or contribution of assets between an investor and its associates or joint ventures

The amendments resolve a current inconsistency between IFRS 10 and IAS 28. The accounting recognition depends on whether non-monetary assets sold or contributed to an associate or joint venture represent a ‘business’. If the non-monetary assets constitute a ‘business’, the investor reports a full profit or loss on the transaction. If, on the other hand, the assets do not meet the definition of a business, the investor recognises a gain or loss from only

to the extent of the portion representing the interests of other investors.

(The amendments were issued on 11 September 2014. At the date of these financial statements, the approval of this amendment is deferred by the European Union).

The Company provides performance guarantees that may be in scope of IFRS 17. The Management Board is in the process of analysing and assessing potential changes in how these guarantees will be considered in the standalone financial statements.

The Company is in the process of analysing how the introduction of the other standards and interpretations will affect the standalone financial statements and the Company's accounting policies.

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-subsidaries 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 infor-

mation 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.

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 2022, 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

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

- liabilities due to debt securities issue [PLN '000]

| | Value calculated for the purpose of analysis | |
|--|--|------------------|
| | as at 31.12.2022 | as at 31.12.2021 |
| Balance of liabilities due to the debt securities issue | 1 070 580 | 1 379 362 |
| Financial costs of debt securities issue's interests | 80 354 | 40 765 |
| Estimated change in interest rates | +/- 1 p.p. | +/- 1 p.p. |
| Financial costs of debt securities issue's interests rates, taking into account increase / (decrease) of interests rates | 10 706 | 13 794 |
| Total impact on the gross results for the period | 10 706 | 13 794 |
| Income tax | 2 034 | 2 621 |
| Total impact on the net result for the period | 8 672 | 11 173 |

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, 2022 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 8,672 thousand due to higher or lower interest on loans granted in PLN.

Interest rates' risk

— liabilities due to loans and borrowings [PLN '000]

| | Value calculated for the purpose of analysis | |
|---|--|------------------|
| | as at 31.12.2022 | as at 31.12.2021 |
| Balance of liabilities due to loans and borrowings | 1 404 500 | 1 457 376 |
| Financial costs of interests | (116 448) | (62 377) |
| Estimated change in interest rates | +/- 1 p.p. | +/- 1 p.p. |
| Change of interest as a result of inter-est rate's change (on a yearly basis) | 14 045 | 14 574 |
| Total impact on the gross results for the period | 14 045 | 14 574 |
| Income tax | 2 669 | 2 769 |
| Total impact on the net result for the period | 11 376 | 11 805 |

Interest rates' risk — cash [PLN '000]

| | Value calculated for the purpose of analysis | |
|--|--|------------------|
| | as at 31.12.2022 | as at 31.12.2021 |
| Cash balance | 116 073 | 76 643 |
| Other operating revenues on inter-ests | 523 | 1 |
| Estimated change in interest rates | +/- 1 p.p. | +/- 1 p.p. |
| Other operating revenues on inter-ests with change of interest rate impact | 1 161 | 766 |
| Total impact on the gross results for the period | 1 161 | 766 |
| Income tax | 221 | 146 |
| Total impact on the net result for the period | 939 | 620 |

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

| | Value calculated for the purpose of analysis | |
|--|--|------------------|
| | as at 31.12.2022 | as at 31.12.2021 |
| Loans granted bal-ance | 155 399 | 164 577 |
| Other operating revenues on grant-ed loans | (6 580) | (2 460) |
| Estimated change in interest rates | +/- 1 p.p. | +/- 1 p.p. |
| Financial revenues on interests due to loans granted with change of interest rate impact | 1 554 | 1 646 |
| Total impact on the gross results for the period | 1 554 | 1 646 |
| Income tax | 295 | 313 |
| Total impact on the net result for the period | 1 259 | 1 333 |

Currency risk

As at the balance sheet date and during the financial year, the Company did not have any other significant balances denominated in a foreign currency. Therefore, the risk was

assessed as insignificant and the sensitivity of other balance sheet items to changes in currency exchange rates was not analyzed.

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 2022, 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-down for expected credit losses as of 31 December 2022 [PLN '000]

| Period | Default rate weighted average | Gross value of trade receivables | Provision for expected credit losses |
|---------------|-------------------------------|----------------------------------|--------------------------------------|
| current | 0,55% | 38 894 | 190 |
| 1-30 days | 0,57% | 4 057 | 26 |
| 31-90 days | 9,17% | 159 | 14 |
| 91-360 days | 19,31% | 708 | 154 |
| over 361 days | 94,28% | 2 866 | 2 780 |

Write-down for expected credit losses as of 31 December 2021 [PLN '000]

| Period | Default rate weighted average | Gross value of trade receivables | Provision for expected credit losses |
|---------------|-------------------------------|----------------------------------|--------------------------------------|
| current | 0,00% | 22 283 | 27 |
| 1-30 days | 0,00% | 4 208 | - |
| 31-90 days | 5,80% | 1 268 | 72 |
| 91-360 days | 17,43% | 1 137 | 195 |
| over 361 days | 91,47% | 2 944 | 2 357 |

As at 31 December 2022, the Company owns PLN 62,000 thousand gross of acquired bonds, which are classified as basket 1 according to IFRS 9. As a result of the analysis of expected credit losses, the Company recognised write-downs relating to the bonds in basket 1 in the amount of PLN 34 thousand (PLN 11 thousand at 31 December 2021).

As at 31 December 2022, the Company owns PLN 948,863 thousand gross of loans granted, which are classified as basket 1 in accordance with IFRS 9. As a result of the analysis of expected credit losses, the Company recognised write-downs relating to the loans in basket 1 in the amount of PLN 2,943 thousand at 31 December 2022 (PLN 1,481 thousand at 31 December 2021).

Furthermore, as at 31 December 2022, the Company owns PLN 20,898 thousand gross of loans granted (PLN 24,906 thousand at 31 December 2021), that are classified

as basket 3. As a result of the analysis of expected credit losses, the Company recognised write-downs relating to the loans in basket 3 in the amount of PLN 20,235 (PLN 15,307 thousand at 31 December 2021).

In addition, the Company has procedures in place 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 in relation to any of the clients of the Company. In the case of cash and deposits in financial institutions and banks, the Company uses the services of reputable entities.

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

Financial institutions with which the beneficial Company have an external rating

| rating wg Fitch Issuer Default Ratings | Amount of cash and other financial assets [PLN '000] |
|--|--|
| A+ | 15 279 |
| BB | 509 |
| BBB- | 100 286 |
| | 116 073 |

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 2022 and 31 December 2021:

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

| Period | Loans | Bonds | Trade and other liabilities | Leasing | Loans | Borrowings | Derivative financial instruments |
|--------------|----------------|------------------|-----------------------------|----------------|----------------|----------------|----------------------------------|
| 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 | 2637043 | 1 406 352 | 139 157 | 104 902 | 155 399 | 208 489 | 14 876 |

Analysis of undiscounted financial liabilities as at 31 December 2021 [PLN ‘000]

| Period | Loans | Bonds | Trade and other liabilities | Leasing | Loans | Borrowings | Derivative financial instruments |
|--------------|------------------|------------------|-----------------------------|----------------|----------------|----------------|----------------------------------|
| Up to 1 year | 2 262 964 | 351 028 | 46 481 | 13 876 | 164 577 | 105 691 | - |
| 1 — 3 years | - | 764 900 | - | 26 204 | - | 219 689 | 6 970 |
| 3 — 5 years | - | 347 849 | - | 20 829 | - | - | - |
| Over 5 years | - | - | - | 124 307 | - | - | - |
| Total | 2 262 964 | 1 463 777 | 46 481 | 185 216 | 164 577 | 325 380 | 6 970 |

The debt ratios as at 31 December 2022 and 31 December 2021, respectively, were in line with the Company's objectives.

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 ratio [PLN '000]

| | Note | at 31.12.2022 | at 31.12.2021 |
|-----------------------------------|--------|------------------|------------------|
| Total loans, borrowings and bonds | 14,16 | 1 768 388 | 1 954 265 |
| Dividend liabilities | 15 | 90 792 | - |
| Leasing liabilities | 14, 15 | 96 146 | 133 376 |
| Cash and cash equivalents | 12 | (116 073) | (76 643) |
| Net debt | | 1 839 253 | 2 010 998 |
| Total equity | | 1 071 311 | 1 152 684 |
| Total capital | | 2 910 564 | 3 163 682 |
| Debt ratio | | 63,19% | 63,57% |

The debt ratios as at 31 December 2022 and 31 December 2021, 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 2022 ['000 PLN]

| Subject of the contract - liability of Echo Investment S.A. | Contractor — investor | Transaction value |
|--|--|-------------------|
| Sale of real estate, Empark | Perth Sp. z o.o. | 101 504 |
| Sale of real estate, Empark | Archicom Loftly Platinum 1 Sp. z o.o. | 65 198 |
| Real estate brokerage | Face2Face - Stranraer Sp. z o.o. S.K.A. | 10 402 |
| Real estate brokerage | Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A. | 9 723 |
| Strategic cooperation | Archicom S.A. | 9 404 |
| Investment project management | Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A. | 6 201 |
| Investment project management | Echo - Arena Sp. z o.o. | 4 946 |
| Real estate brokerage | Projekt Echo 130 Sp. z o.o. | 4 695 |
| Investment project management | Projekt 12 - Grupa Echo Sp. z o.o. S.K.A. | 3 764 |
| Development process support | R4R RE Wave 3 Sp. z o.o. | 3 696 |
| Investment project management | Echo - Arena Sp. z o.o. | 3 502 |
| Real estate brokerage | Projekt 17 - Grupa Echo Sp. z o.o. S.K.A. | 3 456 |
| Investment project management | Duże Naramowice - Projekt Echo 111 Sp. z o.o. S.K.A. | 3 440 |
| Development process support | R4R RE Wave 3 Sp. z o.o. | 3 301 |
| Development process support | M2 Biuro Sp. z o.o. | 2 981 |
| Investment project management | Projekt Echo 139 Sp. z o.o. | 2 915 |
| Development process support | Student Depot Kraków Sp. z o.o. | 2 804 |
| Development process support | R4R RE Wave 3 Sp. z o.o. | 2 786 |
| Management in the phase of preparation and implementation of investments | 5th Inwestycje 8 Sp. z o.o. | 2 270 |
| Investment project management | Elektrownia Re Sp. z o.o. | 2 168 |
| Investment project management | Projekt Echo 130 Sp. z o.o. | 2 103 |
| Investment project management | Duże Naramowice - Projekt Echo 111 Sp. z o.o. S.K.A. | 2 128 |

Transactions with related parties listed in the financial statements relate to subsidiaries.

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

| Related entity | Sales | Purchase | Receivables | Write-downs | Liabilities |
|--|----------------|---------------|------------------|---------------|---------------|
| Subsidiaries | 281 698 | 22 194 | 863 062 | 27 638 | 72 452 |
| - commercial | 281 698 | 22 194 | 32 898 | 175 | - |
| - loans | - | - | 766 007 | 27 429 | 57 576 |
| - bonds | - | - | 64 157 | 34 | - |
| - advance payments | - | - | - | - | - |
| - option provision for stock based bonus | - | - | - | - | 14 876 |
| Joint-ventures | 26 510 | 2 | 311 865 | 2 322 | - |
| - commercial | 26 510 | 2 | 7 880 | 2 322 | - |
| - loans | | | 303 985 | - | - |
| Owners | - | 18 540 | - | - | - |
| - commercial | - | 18 540 | - | - | - |
| The company's management | - | - | - | - | 4 330 |
| - commercial | - | - | - | - | - |
| - incentive program | | | | | 4 330 |
| Total | 308 208 | 40 736 | 1 174 927 | 29 960 | 76 782 |

The write-down of assets at 31 December 2022 amounted to PLN 29,960 thousand.

Transaction with related entities as at 31 December 2021 ['000 PLN]

| Related entity | Sales | Purchase | Receivables | Write-downs | Liabilities |
|--|----------------|---------------|------------------|---------------|----------------|
| Subsidiaries | 126 465 | 17 491 | 1 217 471 | 29 612 | 509 612 |
| - commercial | 126 465 | 17 491 | 16 286 | 2 | 4 081 |
| - loans | - | - | 1 094 963 | 26 075 | 332 312 |
| - bonds | - | - | 106 222 | 3 535 | - |
| - advance payments | - | - | - | - | 166 249 |
| - option reserve due to bonus paid on shares | - | - | - | - | 6 970 |
| Joint-ventures | 31 470 | 3 340 | 11 098 | - | - |
| - commercial | 31 470 | 3 340 | 11 098 | - | - |
| Shareholders | - | 17 595 | - | - | 1 899 |
| - commercial | - | 17 595 | - | - | 1 899 |
| The company's management | 49 | - | - | - | 9 059 |
| - commercial | 49 | - | - | - | - |
| - incentive program | | | | | 9 059 |
| Total | 157 984 | 38 426 | 1 228 569 | 29 612 | 520 570 |

Significant events after the balance sheet day

Fulfilment of the condition on advance payment of dividend for the financial year 2022 and payment

On 23 December, 2022 the Management Board of Echo Investment S.A. adopted a resolution to pay to shareholders an advance on future dividend for the financial year 2022. The total amount allocated to the advance amounts was PLN 90.8 million, i.e. PLN 0.22 per share. The divi-

dend advance was paid on 2 February 2023 after obtaining the consent of the Supervisory Board on 10 January 2023. The shareholders holding the Company's shares on 26 January, 2023, i.e. 7 days before the payment date, were entitled to the dividend advance.

Remuneration of the Management Board and Supervisory Board

Remuneration of Members of the Management Board [PLN]

| | 2022 | | | | | 2021 | | | | |
|---|---------------------------|------------------|--|----------------|-------------------|---------------------------|------------------|--|----------------|-------------------|
| | 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 | 1 407 305 | 793 349 | 2 566 960 | 658 414,10 | 5 426 029 | 1 376 985 | 1 482 723 | 2 873 597 | 667 853 | 6 401 158 |
| Maciej Drozd | 538 285 | 422 829 | 1 334 915 | 42 350 | 2 338 380 | 527 288 | 770 520 | 1 403 649 | 38 136 | 2 739 593 |
| Artur Langner | 240 000 | 208 373 | 932 747 | 6 018,84 | 1 387 139 | 230 505 | 192 000 | 828 000 | 5 124 | 1 255 628 |
| Marcin Materny (resigned on 22.04.2021) | - | - | - | - | - | 360 000 | 189 000 | 942 516 | 4 886 | 1 496 402 |
| Rafał Mazurczak | 306 000 | 260 100 | 1 066 932 | 12 220,36 | 1 645 252 | 284 000 | 189 000 | 898 032 | 10 235 | 1 381 267 |
| Waldemar Olbryk (resigned on 22.04.2021) | - | - | - | - | - | 204 286 | 661 000 | 0 | 29 497 | 894 783 |
| Małgorzata Turek | 306 000 | 252 450 | 1 004 550 | 5 418,84 | 1 568 419 | 284 000 | 192 000 | 958 000 | 4 724 | 1 438 724 |
| Total | 2 797 590 | 1 937 101 | 6 906 105 | 724 422 | | 3 267 064 | 3 676 242 | 7 903 793 | 760 455 | |
| Total in year | | | | | 12 365 218 | | | | | 15 607 555 |

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 long-term 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 long-term 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.

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 long-term bonus will be acquired in annual periods over the term of the program, i.e., from 31 December 2022

The duration of the program may be extended by a two years (to a seven-year total), i.e., until 31 December 2026; 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 long-term 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 year (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 31 December 2022, the Company recognized a provision in the amount of PLN 4,330 million in its financial statements for a management bonus based on the share price. The change in the amount of the provision in 2022 increased the financial result of the Company by PLN 4,729 million gross.

Agreements concluded between the company and members of the management

In 2022 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 Members of the Supervisory Board [PLN]

| | 2022 | | | 2021 | | |
|----------------------|---------------------------|--|----------------|---------------------------|--|----------------|
| | 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 were approved by resolutions of the Audit Committee dated 23 March 2018 and 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 2022 | 210 000 |
| Additional audit of the standalone financial statement for the 1st half-year 2022 | 93 000 |
| Audit of the standalone and consolidated financial statements for 2022 | 600 000 |
| Audit statements of remuneration for 2022 | 25 000 |
| Review of the interim consolidated financial statements and audit of the interim standalone condensed financial statements of Archicom S.A. | 220 000 |
| Audit of the annual consolidated and standalone financial statements of Archicom S.A. | 250 000 |
| Total | 1 398 000 |

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

Kielce, 28 March 2023



The document
is signed
with qualified
electronic
signature

Statement of the Management Board



Pic. CitySpace in the Rondo1 office building in Warsaw

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 2022 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

Kielce, 28 March 2023



The document
is signed with
qualified electronic
signature

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ECHO
investment