

# Operations Report of the Management Board for Q1 2023

Dated 9 May 2023

The logo for ERBUD GROUP, featuring a stylized blue triangle to the left of the word "ERBUD" in a bold, blue, sans-serif font, with the word "GROUP" in a smaller, blue, sans-serif font below it.

**ERBUD**  
GROUP



## 1. Description of organisational structure of ERBUD GROUP and changes in the Group structure

### 1.1. Parent Company

The Parent Company of Erbud Group is **ERBUD S.A.** "Parent Company"

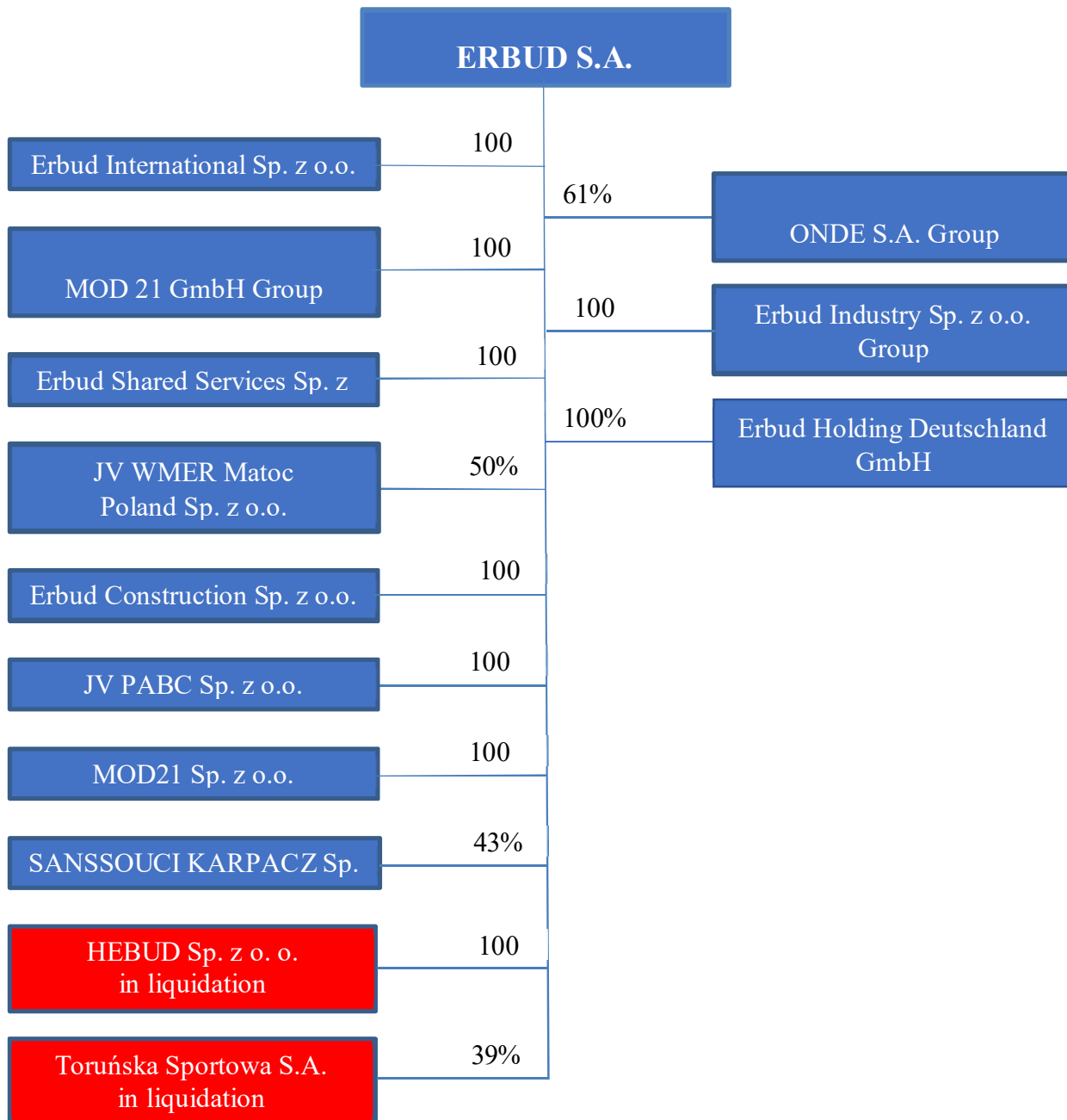
The Group provides a wide range of contraction services related to the wind and photovoltaic farms, fabrication and sale of modular timber facilities, construction and assembly services under the general contracting and subcontracting systems in Poland and abroad, services for the industry in Poland and abroad, construction of public utility buildings based on modular timber technology as well as road and engineering construction.

ERBUD S.A. acts as the parent company in the Group.

The Group comprises the Parent Company Erbud S.A. with its registered office in Warsaw and the following fully consolidated subsidiaries, with the exception of: Erbud Construction Sp. z o.o. and Toruńska Sportowa S.A. in liquidation, which is not consolidated due to insignificant impact on the consolidated financial statements.

## 1.2. Entities covered by consolidation

As of **30 March 2023** and as of the date of publication of the financial statements for 2022, the structure of the ERBUD GROUP is as follows:



Due to marginal significance, ERBUD Construction Sp. z o.o. and the associated entity Toruńska Sportowa S.A. in liquidation were excluded from the consolidated financial statements.

On 3 April 2023, the merger of Erbud Industry Sp. z o.o. (Acquiree) and ERBUD S.A. (Acquirer) was entered into the National Court Register. The Acquirer was entitled to 100% of the shares in the share capital of the Acquiree and, pursuant to Article 515 § 1 of the Code of Commercial Companies, the merger of the companies will take place without share capital increase of the Acquirer.

The Acquirer will operate under the name: ERBUD SPÓŁKA AKCYJNA with its registered office in Warsaw, at Franciszka Klimczaka 1, 02-797 Warsaw.

The purpose of the merger of ERBUD S.A., with its registered office in Warsaw, and ERBUD INDUSTRY Sp. z o.o., with its registered office in Warsaw, is to boost the efficiency of the merged companies, and to generate financial and economic effects of direct and indirect synergies, including:

- superior utilisation of the assets of the merged companies,
- reduction of operating costs,
- superior allocation of cash assets,
- the arrangement of assets within the Erbud Group.

Apart from the above-mentioned event, there have been no changes in the structure of the ERBUD Group.

## **2. Erbud S.A. Management Board's position on the realization of forecasts published in the prospectus in the light of the performance presented in this report.**

The Management Board of Erbud S.A. has not provided any forecast, nor estimates for 2023.

### 3. Shareholders of Parent Company

According to the information held by ERBUD S.A., from 30 March 2023, i.e. from the publication date of the 2022 Consolidated Financial Statements of the ERBUD GROUP and the 2022 Separate Financial Statements of ERBUD S.A. to the publication date of this Report, no changes in the Issuer's shareholding structure took place.

On 5 April 2023 the Company received a notification from DGI Closed Investment Fund of Non-Public Assets, a person closely related to the person discharging managerial responsibilities: Mr. Dariusz Grzeszczak - President of the Company's Management Board, notification of transactions made involving Company's shares. DGI Closed-End Investment Fund of Non-Public Assets sold and Dariusz Grzeszczak acquired 600,000 shares of ERBUD S.A. in the OTC stock market.

As of the publication date of the Financial Statements, i.e. 9 May 2022 and as of 31 March 2023 the list of shareholders holding directly or indirectly through subsidiaries at least 5% of the total number of votes at the General Meeting of Shareholders of ERBUD S.A. was as follows:

| Name of shareholder  | As of 9 May 2023                  |   | As of 31 Mar. 2023                |   | As of 30 Mar. 2023                |   |
|--|-----------------------------------|---|-----------------------------------|---|-----------------------------------|---|
|  | Number of shares and votes at AGM | Share in equity and in the total number of votes at AGM | Number of shares and votes at AGM | Share in equity and in the total number of votes at AGM | Number of shares and votes at AGM | Share in equity and in the total number of votes at AGM |
| Wolff & Müller Baubeteiligungen GmbH & Co. KG including Wolff & Müller Holding GmbH & Co. KG | 3,854,837                         | 31.87%  | 3,854,837                         | 31.87%  | 3,854,837                         | 31.87%  |
| DGI Closed-End Investment Fund of Non-public Assets controlled by Dariusz Grzeszczak         | 721,553                           | 5.96%   | 1,321,553                         | 10.93%  | 1,321,553                         | 10.93%  |
| ING OFE  | 1,200,000                         | 9.92%   | 1,200,000                         | 9.92%   | 1,200,000                         | 9.92%   |
| Allianz OFE, Allianz DFE, Second Allianz OFE   | 764,935                           | 6.32%   | 764,935                           | 6.32%   | 764,935                           | 6.32%   |
| Dariusz Grzeszczak   | 1,831,907                         | 15.14%  | 1,231,907                         | 10.18%  | 1,231,907                         | 10.18%  |
| PKO OFE  | 715,279                           | 5.91%   | 715,279                           | 5.91%   | 715,279                           | 5.91%   |
| ERBUD S.A. - own shares without voting rights at General Meeting of                          | 166,666                           | 1.38%   | 166,666                           | 1.38%   | 166,666                           | 1.38%   |
| Other shareholders   | 2,841,325                         | 23.49%  | 2,841,325                         | 23.49%  | 2,841,325                         | 23.49%  |
| <b>Total:</b>  | <b>12,096,502</b>                 | <b>100.00%</b>  | <b>12,096,502</b>                 | <b>100.00%</b>  | <b>12,096,502</b>                 | <b>100.00%</b>  |

### 3.1. Information about dividend

In order to provide shareholders with the opportunity to carry out a long-term investment program based on clear and stable criteria for the distribution of earnings generated, on 26 January 2016, the Management Board passed a resolution on the adoption of the ERBUD S.A dividend policy. Pursuant to the adopted resolution, the Management Board will recommend to the General Meeting of Shareholders, after the evaluation of the motion by the Supervisory Board, concerning dividend payment accounting from 30 to 50 per cent of net consolidated financial income generated in the previous financial year, taking into account the current and future financial standing of the company and the Capital Group. In the recommendation, the Management Board shall, in particular, take into account investment needs arising from the implementation of the ERBUD Group's strategy, the Company's liquidity needs, current and deferred liabilities. In case the above factors have been exceptionally well rated and the Supervisory Board has given a positive opinion, the Management Board may recommend the distribution of a higher dividend.

On **11 March 2019**, the Management Board of ERBUD S.A. adopted a new dividend policy resolution. Thus, the previous resolution dated 26 January 2016 is no longer effective.

The principles of the new dividend policy read as follows:

#### Preamble

Dividend policy is an element of strategic management of each company development while maintaining the balance between the amount of dividend paid and opportunities of effective investment of generated funds.

The objective of this policy is to enable the shareholders of Erbud S.A. ("Company") make an assessment as to the implementation of a long-term investment program based on clear and stable criteria for the distribution of generated profit.

#### Dividend payment policy

##### 1. Adoption of dividend payment policy by Erbud S.A.

1.1. *The Management Board will intend to recommend to the General Meeting of Shareholders, after the evaluation of the motion by the Supervisory Board, dividend payment accounting for from 30 to 70 per cent of net consolidated net profit generated in the previous financial year, taking into account the current and future financial standing of the Company and the Capital Group ("Erbud Capital Group").*

1.2. *In its recommendation for the General Meeting of Shareholders, the Management Board will each time take into account the following key factors:*

- *investment requirements related to the implementation of the ERBUD Group strategy,*
- *the acquisition policy pursued by the Company and available financing in relation to that policy,*
- *liquidity needs of the Erbud Capital Group depending on current and expected market and regulatory environment,*
- *the amount of liabilities due to current operations and debt servicing,*
- *liabilities under concluded agreements on financing the operations of the Company and the Erbud Capital Group, including in particular loan agreements,*
- *proceeds from dividends received by the Company from its subsidiaries,*
- *optimization of the financing structure of the Erbud Capital Group's operations.*

1.3. *If the above factors have been assessed exceptionally and the Management Board's proposal regarding profit distribution has been viewed positively by the Supervisory Board, the Management Board may recommend a payment of dividend higher than that referred to in item 1.1.*

1.4. In subsidiaries in which the Company holds more than 70% of the shares aims to pay dividends in the amount of 100% of the net profit, if this is possible due to the legal regulations in force in a given territory and justified from the perspective of, among others:

- tax regulations prevailing in a certain territory,
- financial standing of subsidiaries, and
- prospects for their future activities.

1.5. The decision on profit distribution, including payment and amount of dividend, pursuant to the Article 395 of the Code of Commercial Companies, is taken by the Ordinary General Meeting of Shareholders in each financial year.

2. Persons entitled to dividend payment and determination of dividend record day and payment date

2.1. The Company's shareholders are entitled to a share in the profit shown in the annual audited Separate Financial Statements, appropriated by virtue of a resolution of the General Meeting of Shareholders for payment to the Company's shareholders (dividend right).

2.2. The body authorized to decide on the distribution of the Company's profit and payment of dividends is the Ordinary General Meeting of Shareholders. The Ordinary General Meeting of Shareholders, which should be held within six months after the end of each financial year, shall pass a resolution on whether and what part of the Company's profit shown in the audited financial statements should be allocated to the dividend payment.

2.3. The Company's General Meeting of Shareholders shall determine the dividend record date and the dividend payment date.

2.4. The dividend day may be set at a date falling not earlier than five days and not later than three months from the date of profit distribution resolution.

2.5. The date of dividend payment by ERBUD SA is set for 31 August.

2.6. When taking a decision on the dividend record date and the dividend payment date, the Best Practices of WSE Listed Companies 2016 should be taken into account, i.e. these days should be set so that the period falling between them is no longer than 15 business days. Establishing a longer period between these deadlines requires justification.

2.7. A resolution of the General Meeting of Shareholders to pay a conditional dividend may contain only conditions that could be fulfilled before the dividend record date.

3. Determination of the method of announcing information on the dividend adoption and its terms of payment

3.1. Information on the General Meeting of Shareholder's intention to adopt a resolution on the dividend payment and the proposed wording of such resolution shall be conveyed by virtues of a current report via the Electronic System for Information Transmission (ESPI) and via the Company's website, at least 26 days prior to the date of the General Meeting of Shareholders, whose agenda includes adoption of such resolution.

3.2. In an analogous form, the Company shall provide information about dividend amount, the value of the dividend per share, the number of shares covered by the dividend, the dividend record date and the dividend payment date, immediately after the event.

4. An option of making payments of an advance on dividend

The Management Board may pay shareholders an advance on the expected dividend at the end of the accounting year, if the Company has sufficient funds to pay out and this option is provided for in the Articles of Association. The Erbud SA Management Board is authorized, pursuant to § 18, para. 4 of the of the Company's Statute and subject to Supervisory Board's consent, to pay a dividend advance. The company may pay an advance if its approved financial statements for the previous accounting year show profit. The advance may account maximum for half of the profit generated since the end of the previous accounting year, shown in the financial statements, audited by the statutory auditor, increased by reserve funds established out of profit, which the Management Board may use to pay advances, less uncovered losses and own shares.

5. Existing dividend preference

The Company does not have any preferred stock with respect to dividends.

|  | 2013         | 2014         | 2015        | 2016         | 2017        |
|--|--------------|--------------|-------------|--------------|-------------|
| Net profit of ERBUD S.A. (*000 PLN)                            | 8,416        | 12,245       | 11,397      | 11,103       | 12,539      |
| Dividend paid from profit generated in a given year (*000 PLN) | 8,900        | 6,381        | 15,374      | 14,980**     | 14,093      |
| Dividend per share in PLN                                      | 0.70         | 0.50         | 1.20        | 1.17         | 1.12        |
| Dividend record date   | 21 Jul. 2014 | 15 Jul. 2015 | 17 May 2016 | 1 Sept. 2017 | 5 Jun. 2018 |
| Dividend rate* (in %)  | 2.8          | 1.5          | 4.2         | 3.9          | 6.5         |

\* Dividend rate calculated as the quotient of dividend per share and share price two days prior to the dividend record date.

\*\* Extraordinary dividend from supplementary capital created from retained earnings

On 16 April 2020 the Management Board of ERBUD S.A. because of the outbreak of COVID 19 coronavirus pandemic decided to suspend the dividend policy. As of the date of this report, the suspension of dividend policy has not been relieved.

The Management Board, taking into account the generated profits and current investment needs as well as cash at hand, has, since the date of suspension of the dividend policy, implemented a buy-back of own shares, which is treated as an alternative manner of profit sharing with shareholders.

On 3 April 2023, the Management Board of ERBUD S.A. decided to return to the dividend policy and decided to recommend to the General Meeting of Shareholders the payment of a dividend to shareholders in the amount of PLN 10,021,062.24 (i.e. PLN 0.84 per share) for the 2022 accounting year.



#### 4. Statement on Erbud S.A. shares or rights thereto (options) held by the persons managing and supervising Erbud S.A. as of the date of submission of the Report with a specification of ownership changes since the submission of the Report with the specification of the ownership status in Q1 2023.

As of 9 May 2023, management and supervisory officers held the following number of shares.

According to the information held by ERBUD S.A., from 30 March 2023, i.e. from the publication date of the 2022 Consolidated Financial Statements of the ERBUD GROUP and the 2022 Separate Financial Statements of ERBUD S.A. to the publication date of this Report, one change in the Issuer's shareholding structure, referred to in Section 4, of this took place.

|  | Type of relation                       | As of 9 May 2023                  |   | As of 30 Mar. 2023                |   |
|--|--|-----------------------------------|---|-----------------------------------|---|
|  |  | Number of shares and votes at AGM | Share in equity and in the total number of votes at AGM | Number of shares and votes at AGM | Share in equity and in the total number of votes at AGM |
| DGI Closed-End Investment Fund of Non-public Assets controlled by Dariusz Grzeszczak | President of the Management Board      | 721,553                           | 5.96%   | 1,321 553                         | 10.93%  |
| Dariusz Grzeszczak   | President of the Management Board      | 1,831 907                         | 15.14%  | 1,231 907                         | 10.18%  |
| Albert Dürr  | A Supervisory Board Member             | 26,354                            | 0.22%   | 26,354                            | 0.22%   |
| Roland Bosch   | The Chairman of the Supervisory Board  | 10,000                            | 0.08%   | 10,000                            | 0.08%   |
| Jacek Leczkowski   | Vice-President of the Management Board | 5,112                             | 0.04%   | 5,112                             | 0.04%   |
| Agnieszka Głowacka   | Vice-President of the Management Board | 3,938                             | 0.03%   | 3,938                             | 0.03%   |

\* Mr Dariusz Grzeszczak controls additionally DGI Closed-End Investment Fund of Non-Public Assets, which holds 10.93% of shares in Erbud S.A. (10.93% of the total number of votes). Moreover Dariusz Grzeszczak holds 0.5% shareholding in ONDE SA (a subsidiary of the Issuer).

\*\* Additionally Mr Albert Dürr holds 85% shareholding in Wolff & Müller Holding GmbH & Co. KG, which holds: (i) 2.16% shareholding in Erbud S.A. directly (2.16% of the total number of votes) and (ii) indirectly, through a 100% subsidiary of Wolff & Müller Baubeteiligungen GmbH & Co. KG 29.70% of Erbud S.A. shares. (29.70% of the total number of votes). Additionally Mr. Albert Dürr holds 85% shareholding of Dürr Holding GmbH, which holds 0.11% shareholding in Erbud S.A. (0.11% of the total number of votes). In total Mr Albert Dürr holds directly or indirectly 32.08% of shareholders' equity of Erbud S.A. (32.08% of the total number of votes).

\*\*\* Ms Agnieszka Głowacka holds additionally 0.25% shareholding in ONDE S.A. (the Issuer's subsidiary).

\*\*\*\* Mr Jacek Leczkowski holds additionally 6.48% shareholding in ONDE S.A. (the Issuer's subsidiary).

## 5. Information about lawsuits pending before a court, an authority competent for arbitration proceedings or a public administration body, including information about:

Both in cases where the Issuer is the plaintiff (cases related to receivables) and in cases where the Issuer is the defendant (cases related to payables) the position of the Issuer and its legal advisors prove that the proceedings will be solved in favour of the Issuer.

Proceedings to which ERBUD S.A. is a party as of the ERBUD S.A. Report Date, concerning payables or receivables of the Issuer or its subsidiary (including the case subject, the amount in dispute, the date of the proceeding initiation and the Issuer's perspective)

### 5.1. Material proceedings to which the Issuer is the plaintiff

#### 5.1.1.

Defendant: Bank Millennium S.A. in Warsaw

Date of filing a lawsuit: 22 December 2010

Value of the dispute: PLN 71,065,496

In 2008 Bank Millennium S.A. advised ERBUD S.A. to conclude FX option transactions to hedge against FX risk under the contracts denominated in EUR executed by the Issuer. The Bank's proposal was driven by a need of the Issuer to obtain security adequate to its situation. According to the Company, the product was not optimally adjusted to the ERBUD S.A. needs. In Q4 2008, as a result of a drastic revaluation of Polish zloty (PLN) in the PLN/EUR pair, Bank Millennium S.A. informed the Issuer about a negative valuation of the exposure held at that time.

At the same time, a dispute arose over the content of FX option transactions, mainly with respect to the exclusion of option structures. During numerous discussions, the Issuer presented its position to the Bank, in which it demanded that the transaction be carried out with the undertaking of actions aimed at enforcing of existing claims. In order to limit the amount of potential loss, the disputed transactions were restructured and the Bank was informed about legal actions taken in the future to remedy the loss resulting from FX option transactions. The restructuring details were presented by the Issuer in RP 43/2008 on 21 November 2008 and in the 2008 Financial Statements. The Issuer never agreed with the position of Bank Millennium S.A. and therefore called upon the Bank twice demanding the Bank to pay the amount of PLN 71,065,496, which consists of the amounts collected by the Bank from the Issuer's bank account, foregone profits and costs of legal and financial advisors. In connection with the above, the Issuer decided to bring an action for payment of compensation for the loss.

16 September 2016 the Management Board of ERBUD S.A. was informed by its legal counsels about the decision taken by the District Court in Warsaw. Pursuant to the decision, the Court dismissed the Issuer's claim in its entirety.

On 4 November 2016, the Issuer filed an appeal against the decision. The decision was appealed against in its entirety, and the appeal allegations focus in particular on incorrect findings and conclusions of the Court of First Instance regarding the incorrect determination by the Court of First Instance of the content of the disputed transactions, as well as incorrect interpretation of documents, including documents confirming transactions. In addition, a reference was made to numerous rulings of the District Court and the Court of

Appeal in Warsaw, issued in similar cases when the Courts issued rulings favourable to the customers of Bank Millennium under circumstances similar to those of the Issuer.

The above ruling does not have any influence on the financial position of the Issuer because the entire loss related to options was settled in the year of its occurrence, i.e. in 2008.

On 29 May 2018 the Court of Appeal in Warsaw announced the ruling in the case filed by ERBUD S.A. against Bank Millennium S.A., in which it upheld the appeal of the Company.

The Court of Appeal in Warsaw, in its decision of 29 May 2018, overruled the appealed decision of the District Court in Warsaw of 16 September 2016 and referred the case back to that court for re-examination together with the decision about the costs of the appeal proceedings.

On 13 July 2018 the Company was informed about a complaint filed by Bank Millennium S.A. with the Supreme Court against the ruling of the Court of Appeal in Warsaw of 29 May 2018 concerning the action brought by ERBUD S.A. against Bank Millennium S.A.

In its complaint Bank Millennium questions the advisability of repealing the ruling and referring the case back to the District Court in Warsaw for re-examination, indicating that the Court of Appeal should decide the case itself. On behalf of the Company its Legal Advisors filed a response to the complaint.

On 28 September 2018 the Supreme Court issued a decision about the case brought by the Issuer against Bank Millennium S.A., in which it accepted the complaint of Bank Millennium S.A. By virtue of its decision of 28 September 2018 the Supreme Court, overruled the appealed decision of the Court of Appeal in Warsaw of 29 May 2018 and referred the case to the Supreme Court for further consideration together with the decision on the costs of the appeal proceedings.

On 3 June 2020 Court of Appeal in Warsaw decided:

To admit ex officio evidence from a court expert's opinion in the field of finance, economics and banking to the circumstances:

- clarification of the substance and mechanism of the contracts concluded by the parties on 9 and 11 July 2008 and 14 August 2008 as regards the contract between the parties;
- whether the above-mentioned contracts were adjusted to the claimant's market position;
- what function they performed, and in particular whether they performed a function securing the claimant's interests;
- whether the type of the switch (bilateral or unilateral) was important for the performance of the function securing the claimant's interests;
- assessment of risk of both parties to the above mentioned contracts, determination whether there was an identical probability of profit and loss on both sides and determination of possible disproportion of positions of both parties to this end;
- whether by concluding the above-mentioned contracts the claimant was exposed to the exchange rate risk, whether the defendant was exposed to the exchange rate risk and whether the degree of such risk was determined, in particular whether the risk was unlimited for any of the parties;
- whether the conclusion of the aforementioned contracts was of speculative nature;
- determine whether the information provided to the claimant prior to the conclusion of the aforementioned contracts was complete, reliable and comprehensible, whether the content of the information provided represented a sufficient basis for risk analysis and making a fully judged decision regarding the conclusion of the aforementioned contracts.

Have the court expert draw up a written opinion in three copies within two months.

On 24 November 2021, the Court of Appeals in Warsaw accepted the Company's appeal in part, awarding the Bank the amount of PLN 51.383.600 with statutory interest for the period from 8 December 2010 to 31 December 2015 and statutory interest on late payments from 1 January 2016 to the date of payment. The Company bears 29% of the litigation costs, whereas the Bank bears 71%. The decision is final and binding.

On 2 December 2021 Bank Millennium S.A. filed a request to withhold the payment to ERBUD S.A. of 102 733 906.25 PLN. Withholding will occur until the deadline for filing a cassation appeal has passed and, if filed, until the cassation appeal has been completed.

The Court of Appeals in Warsaw, 7<sup>th</sup> Commercial and Intellectual Property Department, supported the Millennium Bank's motion and suspended payment of the adjudged amount, as requested by the Millennium Bank. The court's decision is non-appealable.

However, this does not withhold the accrual of interest on the principal, i.e. on the amount PLN 51 383,600.

The Court of Appeals published the rationale for the ruling.

### 5.1.2.

Defendant: DSH – Dopravni Stavby, a.s., Brno, the Czech Republic

Date of filing a lawsuit: 14 February 2013

Value of the dispute: PLN 26,923,644.16

Current status of the claim: On 27 May 2014 ERBUD S.A. extended the claim by the amount of PLN 22,925,604.52 claiming additionally the reimbursement of costs of substitute performance. In a letter dated 27 April 2014 and delivered on 1 July 2014, the defendant filed a counterclaim for the amount of PLN 5,651,633. On 6 November 2015, a hearing was held. The parties have agreed to request the cancellation of the hearing in order to continue the settlement proceedings. The settlement talks were fruitless. All witnesses requested by the Parties were cross-examined. Upon the unanimous request of the Parties, the Court set a 30-day time limit for the expert to specify the proof of evidence and to submit detailed questions to the opinion. On 17 August, CEMEX notified about its accession on ERBUD S.A. side as a secondary intervener. At the main hearing held on 12 December 2018, the Court dismissed both oppositions. The court made a decision to have an expert draw up an opinion.

The court delivered an expert opinion, which is favourable for ERBUD S.A. In the opinion the expert pointed out that the costs of substitute execution incurred by ERBUD S.A. are reasonable. According to the expert, DSH misperformed the contract and the repair method used by DSH was incorrect. On 07.10.2021 the court announced a verdict in which: adjudged from DSH - Dopravni Stavby a.s. with its registered office in Brno (Czech Republic) to ERBUD S.A. the amount of PLN 26,923,644.16 (twenty-six million nine hundred twenty-three thousand six hundred forty-four zlotys and 16/100) along with interest and legal fees.

The Defendant filed an appeal against the judgment on 10 January 2023, whereas the Plaintiff filed a response to the appeal.

### 5.1.3.

Defendant: Platinum Resort Sp. z o.o.

Date of filing a lawsuit: 3 December 2018

Value of the dispute: PLN 16.301.236,97

#### Counterclaim

Defendant: ERBUD S.A.

Value of the dispute: 13.516.629,86

Date of filing a lawsuit: 27 April 2019

ERBUD filed a request with the District Court in Szczecin to secure a cash claim in the amount of PLN 5,455,851.09 in relation to the contractual penalty for withdrawal from the Construction Works Contract of 26 January 2017 for the execution of the project titled "Construction of a four-star hotel complex consisting of:

Three hotel buildings with land development in Żeromskiego Street in the City of Świnoujście” by encumbering the properties belonging to Platinum Resort Sp. z o.o. with a joint compulsory mortgage. By virtue of its Decision of 19 November 2018

the Court granted security by entering the compulsory mortgage into the land and mortgage registers of the aforementioned real estate, as well as by the attachment of bank accounts of Platinum Resort Sp. z o.o.

On 3 December 2018 the Issuer filed a lawsuit for payment of PLN 16,301,236.97 together with interest in the writ of payment proceedings for remuneration and other claims related to the execution of the aforementioned investment together with an additional request for securing claims.

Platinum Resort Sp. z o.o. filed a complaint against the decision on security. The Issuer's attorneys replied to the complaint. To date, the Szczecin Court of Appeal has not heard the complaint.

The Szczecin District Court found that there were no grounds for issuing a payment order and referred the case to be examined in ordinary proceedings. The claim was forwarded for servicing to the defendant. By virtue of decision of 22 February 2019 the District Court secured the claim of ERBUD S.A. for another amount of PLN 3.5 million by establishing a compulsory mortgage on the property.

The Court of Appeal validly dismissed the Defendant's complaint regarding the provision of security.

On 27 April the Defendant filed a response to the statement of claim together with the counterclaim in which he requests that ERBUD be awarded PLN 13,516,629.86, consisting of PLN 5,455,851.09 as an alleged contractual penalty calculated by the Defendant and PLN 8,060,778.77 as reimbursement of the allegedly overpaid remuneration collected by ERBUD for the performance of the construction contract.

ERBUD'S attorneys submitted a replica of the response to the statement of claim together with the response to the counterclaim, upholding the existing position and requesting that the counterclaim be dismissed in its entirety.

The court heard the oral evidence provided by the witnesses. Expert evidence concerning this case will be heard by the court .

On 11 June we received information about a writ of summons to make a settlement attempt; there is no date of the session, no information as to what exactly the writ is supposed to concern, the files are transferred between courts, there was no option to inspect them.

The court heard the oral evidence provided by the witnesses. The court decided to admit expert evidence. The deadline for filing expert evidence was 31 March 2022.

On 2 February 2022, a visual inspection of the disputed property was held for the preparation of an expert opinion. The expert opinion was delivered to the law office in July 2022. The contents of the opinion speak in favour of the Company. Comments on the content of the opinion were submitted on 25 August 2022.

#### 5.1.4.

##### Defendant: The Capital City of Warsaw – The Capital City Management Board for City Development

Court: District Court in Warsaw, 26<sup>th</sup> Commercial Division

Date of filing a lawsuit: 2 August 2022

Value of the dispute: PLN 11,955,258.50

Dispute status: The Plaintiff (ERBUD S.A. jointly with STRABAG Sp. z o.o., STRABAG AG and ED ZUBLIN AG) claims payment from the Defendant in the total amount of PLN 11,955,258.50 along with statutory interest and costs of proceedings. The Plaintiff has based its claims on the Defendant's obligation to pay for the performance of construction works performed on site of the Southern Hospital in Warsaw. The Defendant does not argue with the legitimacy of the payment of the aforementioned amount, and has applied for

depositing it with the court. The Defendant's request for permission to deposit the aforementioned amount with the court were rejected by the Court. The judgments are not legally binding and the Defendant has appealed against them.

### 5.1.5.

Defendant: Independent Public Clinical Hospital No. 2 of the Pomeranian Medical University in Szczecin

Court: District Court in Szczecin, 8<sup>th</sup> Commercial Division

Date of filing a lawsuit: 7 November 2022

Value of the dispute: PLN 14,435,306.59

ERBUD S.A. demands that the Independent Public Clinical Hospital No. 2 of the Pomeranian Medical University in Szczecin should amend the contract of June 2021 for the execution of the project called "Construction of A2 building with a connector and land development as part of redevelopment and extension of A building of the "PUM" Independent Public Clinical Hospital No. 2 in the City Szczecin for the "PUM" Independent Public Clinical Hospital No. 2 in the City of Szczecin" by increasing the Contractor's remuneration by the amount of PLN 14,435,306.59 (gross) and adjudication of this amount.

### 5.1.6.

Defendant: BEST Deweloper Sp. z o.o.

Court: District Court in Szczecin

a) Lawsuit No. 1: 19 October 2022 - For the amount of PLN 5,928,173.34

Dispute status: The Plaintiff claims amounts due for work performed as part of the construction of multi-family apartment buildings in Chrzanowskiego Street in Szczecin. The amounts claimed are covered by VAT invoices, accepted and approved by the Defendant. They relate to works completed and accepted by the Defendant. On 2 November 2022 the Court issued a writ of payment. The court bailiff in Szczecin, by virtue of its Decision dated 6 December 2022, terminated the collateral proceedings, securing the amount covered by the payment order with interest as of 6 December 2022. By virtue of its Decision of 24 January 2023, the Court referred the parties to mediation and the court set a hearing date for 18 May 2023, to which it summoned all witnesses and parties. The mediation talks between the Parties ended ineffectively.

b) Lawsuit No. 2: 6 February 2022 - for the amount of PLN 6,050,337.37

Dispute status: The Plaintiff claims amounts due for work performed as part of the construction of multi-family apartment buildings in Chrzanowskiego Street in Szczecin. The amounts claimed in the lawsuit are covered by VAT invoices issued on the basis of inventory reports accepted and signed by the Defendant. They relate to works completed and accepted by the Defendant. The demand for a lawsuit includes the issuance of writ of payment and a request to secure claims. No decisions on the case.

**The value of other litigations where ERBUD S.A. is the Defendant totals PLN 22.282.475,20.**

## 5.2. Material proceedings to which the Issuer is the defendant

### 5.2.1.

Plaintiff: Mazowiecki Port Lotniczy Warszawa-Modlin Sp. z o.o. (Warsaw Modlin Airport) ("MPL")

Defendant: ERBUD S.A. in Warsaw

Date of servicing an action to ERBUD S.A.: 23 May 2014

Value of the dispute: PLN 34,381,374.64

On 12 May 2014, a statement of claim was delivered to ERBUD S.A. in which the Warsaw Modlin Airport (MPL) requested payment of PLN 34.381.374,64 for damages along with statutory interest and litigation costs. The damages claimed by the Warsaw Modlin Airport (MPL) consists of losses and benefits incurred by the claimant and lost as a result of allegedly improper performance by ERBUD of the Contract of 14 September 2010 for the construction of the Warsaw-Modlin Airport No. PLM/K/96/2010 and suspension of air traffic on a part of the airport runway.

On 11 October 2014 ERBUD S.A. submitted a reply to the statement of claim in which it requested that the Warsaw Modlin Airport's (MPL) claim be dismissed in its entirety and that the costs of the proceedings be reimbursed. At the same time, irrespective of the claim lodged by the claimant, Erbud instituted a counterclaim against Warsaw Modlin Airport (MPL), requesting that the amount of PLN 19.892.366,30 with statutory interest be awarded to the Company. The counterclaim consists of costs incurred by Erbud to repair the airfield surface at the Warsaw-Modlin airport. On 2 March 2015, MPL's pleading was served on Erbud, in which MPL maintained its claims and requested that Erbud's counterclaim be dismissed.

After an exchange of pleadings, the court proceeded to examine the witnesses. The first hearing date took place on 28 October 2015. During subsequent court sessions, a number of witnesses called by both parties were cross-examined.

The Court heard from all witnesses submitted by the Parties.

On 21 December 2018, the last hearing was held, during which the Court concluded the process of hearing the Parties' representatives and decided to admit evidence from:

1. an opinion from an institute in the field of construction for the purpose of:
  - a) determining the causes and effects of the occurrence of defects in the works performed by Erbud;
  - b) determining whether the concrete mix recipes were drawn up correctly;
2. an opinion of an institute specializing in the of civil airports' operations and assessment of the technical condition of airport surfaces for the purposes of
  - a) determining whether the condition of the surface of the Modlin Airport on 22 December 2012 justified shutting down air traffic and whether, given the condition of the airport surface at that time, it was possible to continue air traffic of class C planes on all or part of this surface while carrying out maintenance and repair works;
  - b) determine whether the runway and taxiway surface maintenance work was properly performed in the period from 6 June 2012 to 22 December 2012;
3. expert's opinion on meteorology for the meteorological conditions affecting the performance of c-code aircraft flights actually occurring at the Warsaw-Modlin airport in the period from 22 December 2012 to 29 September 2013 in two variants:
  - a) taking into account the ILS system at the Modlin airport at that time and
  - b) taking into account the ILS Category 1 navigation system, which would have been certified at the time the concrete thresholds were taken out of service.

On 20 August 2019, the Court issued an order to commission to the Institute of Roads and Airports the performance of a construction opinion (reasons for defects in the surface and assessment of alternative repair options). Subsequently, the Court commissioned to the Institute the drawing up an opinion also on meteorological aspects. Ultimately, the Court extended the deadline for the opinion filing until 20 May 2021, and the opinion was filed on that date.

On 29 November 2021. Erbud filed comments and objections to the opinion along with a request to exclude the expert. On February 7, 2022, the Court sent Erbud's findings and comments to the expert and called upon him to respond. On 21 April 2022, the Court made an order awarding the expert the total fee requested by him. On 7 June 2022. Erbud lodged a complaint against the above-mentioned order. On 12 September 2022, the Second Instance Court dismissed the complaint in its entirety.

At the moment, the Court of First Instance is processing a request to exclude the expert - on 24 October 2022, it sent an commitment to MPL's attorney to respond to the motion to exclude, and sent to OAT Ltd. a request for information on the professional history of the Expert Team Leader at that company (which worked jointly with MPL). A hearing was held on 25 January 2023, during which the Expert Team Leader was questioned. After the hearing, the Court invited the other members of the Expert Team to send written responses to the request for exclusion.

### 5.2.2.

Plaintiff: Marshal Office of the Wielkopolskie Province in Poznań

Defendant: ERBUD S.A. in Warsaw

Date of servicing an action to ERBUD S.A.: 28 January 2022

Value of the dispute: PLN 21.553.732

By virtue of a lawsuit dated 20 December 2021 the Wielkopolskie Province, with the headquarters of the Marshal's Office of the Wielkopolskie Province in Poznań, requests that the Court authorise Erbud S.A. to



replace the entire systems at Erbud S.A.'s expense, which are as follows: 1) cold water, 2) hot water, 3) hydrant water, 4) process heat and 5) chilled water in the building being the registered office of the Office in Poznań, located at Al. Niepodległości 34 in Poznań under quality warranty.

A response to the lawsuit was filed. The date for the first hearing has been set for October 2022.

On 23 February 2023 the District Court dismissed the plaintiff's requests for expert evidence and the defendant's further requests for evidence, and closed the hearing. On 23 March 2023 the court dismissed the claim in its entirety.

According to Erbud S.A. there are no grounds to accept the claims of the Wielkopolskie Province in full.

**Total value of other proceedings where ERBUD S.A. is the defendant: PLN 12,294,255.58**

## 6. Information on the entering by the Issuer and its subsidiaries into one or more transactions with related parties, if they are individually or jointly significant, and if they are not arm's-length transactions

In Q1 2023 and until the date of publication, neither the Issuer nor its subsidiaries entered into any transactions other than those related to the normal activities of the aforementioned entities. All transactions are concluded following the arms' length principle.

## 7. Information about granting, by the issuer or its subsidiary, sureties for loans, credits or guarantees in Q1 2021, if the total value of existing sureties or guarantees is significant.

Sureties and loans granted by the Issuer are as follows:

### 7.1. Sureties

#### Surety extended by ERBUD S.A. – as of the publication date of the Financial Statements

| Guarantor  | Surety holder                 | value ('000 PLN) | Subject                                    | For whom   | Surety expiry date | Type of surety and financial terms  |
|------------|-------------------------------|------------------|--|--|--------------------|---|
| ERBUD S.A. | MOD 21 GmbH (former) GWI GmbH | 16,607           | Line for financial guarantees of EUR 3 060 | PKO BP S.A. (German Branch)  | 31 Dec. 2031       | Civil surety, the Guarantor charges a surety fee of 1% of the value of the surety   |
| ERBUD S.A. | MOD 21 GmbH (former) GWI GmbH | 4,676            | insurance guarantee lines of EUR 1 million | Euler Hermes, Zürich, AXA, Bayerische Versicherungsverband, R+V ; Swiss RE | 31 Dec. 2023       | Civil surety, the Guarantor charges a surety fee of 1% of the value of the surety   |
| ERBUD S.A. | MOD 21 GmbH (former) GWI GmbH | 4,676            | Overdraft facility of EUR 1 million        | Commerzbank  | 31 May 2023        | Guarantee extended by mBank S.A. on behalf of ERBUD S.A. The Guarantor charges the Company with fees charged by the Guarantor |
| ERBUD S.A. | MOD 21 GmbH (former) GWI GmbH | 4,676            | Overdraft facility of EUR 1 million        | Deutsche Bank AG   | 30 Apr. 2024       | Guarantee extended by mBank S.A. on behalf of ERBUD S.A. The Guarantor charges the Company with fees charged by the           |

|            |                               |        |  |   |                        | Guarantor  |
|------------|-------------------------------|--------|--|---|------------------------|--|
| ERBUD S.A. | ONDE S.A.                     | 6,720  | Investment loan  | ING Bank Śląski S.A.                      | 30 Nov. 2028           | Civil surety, the Guarantor charges a surety fee of 1% of the value                                    |
| ERBUD S.A. | ONDE S.A.                     | 70,133 | Building Contract performance bond                                   | Sun Power Energy Sp. z o.o.               | 11 Mar. 2026           | Civil surety, the Guarantor charges a surety fee of 1% of the value                                    |
| ERBUD S.A. | ONDE S.A.                     | 20,000 | Building Contract performance bond                                   | ABO Wind Polska Sp. z o.o.                | 19 May 2027            | Civil surety, the Guarantor charges a surety fee of 1% of the value                                    |
| ERBUD S.A. | ONDE S.A.                     | 17,300 | Surety extended to proper execution of investment contract           | Eurowind Energy A/S                       | 28 Jun. 2028           | Civil surety, the Guarantor charges a surety fee of 1% of the value                                    |
| ERBUD S.A. | ONDE S.A.                     | 37,889 | Building Contract performance bond                                   | EW Rywald Sp. z o.o. ( <i>Wind Farm</i> ) | 20 Jun. 2028           | Civil surety, the Guarantor charges a surety fee of 1% of the value                                    |
| ERBUD S.A. | MOD 21 GmbH (former) GWI GmbH | 42,547 | Building Contract performance bond                                   | Monheimer Einkaufszentrum GmbH            | Until works acceptance | Civil surety, the Guarantor charges a surety fee of 1% of the value                                    |
| ERBUD S.A. | MOD 21 Sp. z o.o.             | 15,000 | Surety for an investment loan for the expansion of a production room | BNP Paribas Bank Polska S.A.              | 20 May 2028            | Surety on a promissory note, the Guarantor charges a fee for the surety accounting for 1% of the value |
| ERBUD S.A. | MOD 21 Sp. z o.o.             | 23,364 | Surety for a manufacturing line lease contract                       | BNP Paribas Leasing Services Sp. z o.o.   | 13 Jul. 2028           | Surety on a promissory note, the Guarantor charges a fee for the surety accounting for 1% of the value |
| ERBUD S.A. | MOD 21 Sp. z o.o.             | 1,653  | Surety for the Lease Contract  | BNP Paribas Leasing Services Sp. z o.o.   | 13 Jun. 2029           | Surety on a promissory note, the Guarantor charges a fee for the surety accounting for 1% of the value |
| ERBUD S.A. | MOD 21 Sp. z o.o.             | 1,857  | Surety for the Lease Contract  | BNP Paribas Leasing Services Sp. z o.o.   | 13 Jun. 2029           | Surety on a promissory note, the Guarantor charges a fee for the surety accounting for 1% of the value |
| ERBUD S.A. | MOD 21 Sp. z o.o.             | 59     | Surety for the Lease Contract  | BNP Paribas Leasing Services Sp. z o.o.   | 11 Mar. 2029           | Surety on a promissory note, the Guarantor charges a fee for the surety accounting for 1% of the value |
| ERBUD S.A. | MOD 21 Sp. z o.o.             | 1,048  | Surety for the Lease Contract  | BNP Paribas Leasing Services Sp. z o.o.   | 11 Mar. 2029           | Surety on a promissory note, the Guarantor charges a fee for the surety accounting for 1% of the value |
| ERBUD S.A. | MOD 21 Sp. z o.o.             | 75     | Surety for the Lease Contract  | BNP Paribas Leasing Services Sp. z o.o.   | 7 Apr. 2029            | Surety on a promissory note, the Guarantor charges a fee for the surety accounting for 1% of the value |
| ERBUD S.A. | MOD 21 Sp. z o.o.             | 779    | Surety for the Lease Contract  | BNP Paribas Leasing Services Sp. z o.o.   | 7 Apr. 2029            | Surety on a promissory note, the Guarantor charges a fee for the surety accounting for 1% of the value |

|               |                   |                |                               |   |              |  |
|---------------|-------------------|----------------|-------------------------------|---|--------------|--|
| ERBUD S.A.    | MOD 21 Sp. z o.o. | 583            | Surety for the Lease Contract | BNP Paribas Leasing Services Sp. z o.o. | 11 Mar. 2029 | Surety on a promissory note, the Guarantor charges a fee for the surety accounting for 1% of the value |
| <b>Total:</b> |                   | <b>269,640</b> |                               |   |              |  |

### Surety extended to ERBUD S.A. – as of the publication date of the Financial Statements

| Guarantor   | Surety holder | Value ('000 PLN) | Subject                                   | For whom    | Surety expiry date | Type of surety and financial terms                                  |
|---|---------------|------------------|---|-------------|--------------------|---|
| ONDE S.A. (a subsidiary of ERBUD S.A.)<br>ERBUD International Sp. z o.o. (a subsidiary of ERBUD S.A.) – joint and several guarantee | ERBUD S.A.    | 70,000           | multi-purpose credit-guarantee line (LKW) | PKO BP S.A. | 30 Sept. 2030      | Civil surety, the Guarantor charges a surety fee of 1% of the value |

## 7.2. Loans

### Loans extended in the Issuer Group (as of Report Date i.e. 10 May 2022)

| Lender                | Borrower                       | Loan date     | Value in '000 PLN) | Value in '000 EUR | Maturity date               | Interest rate   |
|-----------------------|--------------------------------|---------------|--------------------|-------------------|-----------------------------|-----------------|
| ERBUD S.A.            | MOD21 Sp. z o.o.               | 22 Apr. 2021  | 3,100              | 663               | 22 Apr. 2023                | 3M WIBOR +1.35% |
| ERBUD S.A.            | MOD21 Sp. z o.o.               | 11 Jun. 2021  | 17,517             | 3,747             | 31 Mar. 2028                | 3M WIBOR +1.35% |
| ERBUD S.A.            | JV PABC Sp. z o.o.             | 16 Jun. 2021  | 50                 | 11                | 31 Dec. 2023                | 3M WIBOR +3.5%  |
| ERBUD S.A.            | Erbud Holding Deutschland GmbH | 27 Jul. 2021  | 16,364             | 3,500             | upon demand within 10 days, | 3M EURIBOR+2.2% |
| ERBUD S.A.            | MOD21 Sp. z o.o.               | 27 Jul. 2021  | 958                | 205               | 23 Jul. 2028                | 3M EURIBOR+1.9% |
| ERBUD S.A.            | JV PABC Sp. z o.o.             | 22 Sept. 2021 | 200                | 43                | 31 Dec. 2023                | 3M WIBOR +2.2%  |
| ERBUD S.A.            | Sanssouci                      | 26 Feb. 2021  | 4,314              | 923               | 31 Mar. 2023                | 10% per annum   |
| ERBUD S.A.            | Sanssouci                      | 24 Mar. 2021  | 250                | 53                | 31 Mar. 2023                | 10% per annum   |
| ERBUD S.A.            | MOD21 Sp. z o.o.               | 13 Jan. 2022  | 32,800             | 7,015             | 31 Mar. 2028                | 3M WIBOR +2.5%  |
| ERBUD S.A.            | MOD21 Sp. z o.o.               | 19 Jan. 2022  | 3,553              | 760               | 31 Mar. 2028                | 3M EURIBOR+1.9% |
| ERBUD S.A.            | MOD21 Sp. z o.o.               | 15 Mar. 2022  | 935                | 200               | 31 Mar. 2028                | 3M EURIBOR+1.9% |
| ERBUD S.A.            | MOD21 Sp. z o.o.               | 6 May 2022    | 3,740              | 800               | 31 Mar. 2028                | 3M EURIBOR+1.9% |
| Erbud Shared Services | ERBUD S.A.                     | 30 Jan. 2019  | 3,500              | 749               | 31 Dec. 2023                | 3M WIBOR +2.2%  |

| Lender        | Borrower                           | Loan date    | Value in '000 PLN) | Value in '000 EUR | Maturity date      | Interest rate     |
|---------------|------------------------------------|--------------|--------------------|-------------------|--------------------|-------------------|
| IVT W&R GmbH. | Erbud Holding Deutschland GmbH     | 6 Dec. 2021  | 9,819              | 2,100             | Valid indefinitely | EURIBOR 2.2%      |
| ERBUD S.A.    | ERBUD INDUSTRY Południe Sp. z o.o. | 23 May 2022  | 4,000              | 856               | 31 Dec. 2023       | WIBOR ON + 2.2%   |
| ERBUD S.A.    | MOD21 GmbH                         | 7 Jul. 2022  | 6,203              | 1,327             | 30 Jun. 2028       | 3M EURIBOR+1.35 % |
| ERBUD S.A.    | MOD21 GmbH                         | 26 Jul. 2022 | 468                | 100               | 30 Jun. 2028       | 3M EURIBOR+1.35 % |
| ERBUD S.A.    | MOD21 Sp. z o.o.                   | 6 Sept. 2022 | 3,740              | 800               | 31 Dec. 2028       | 3M EURIBOR+1.35 % |
| ERBUD S.A.    | MOD21 Sp. z o.o.                   | 16 Dec. 2022 | 3,740              | 800               | 31 Dec. 2028       | 3M EURIBOR+1.35 % |

**115,253      24,650**

### 7.3. Liabilities under bank and insurance guarantees granted upon the Group's request

#### Liabilities under guarantees granted to third parties ('000 PLN)

| Company                  | Liability payment guarantee | Performance bond | Retention bond | Total contingent liabilities |
|--------------------------|-----------------------------|------------------|----------------|------------------------------|
| <b>ERBUD S.A.</b>        |                             |                  |                |                              |
| 31 Mar. 2023             | 115,986                     | 182,825          | 246,451        | 545,261                      |
| 31 Dec. 2022             | 113,278                     | 194,674          | 249,931        | 557,884                      |
| 31 Mar. 2021             | 85,955                      | 184,315          | 260,148        | 530,418                      |
| <b>ONDES.A.</b>          |                             |                  |                |                              |
| 31 Mar. 2023             | 59,614                      | 186,969          | 103,333        | 349,916                      |
| 31 Dec. 2022             | 29,492                      | 149,214          | 88,074         | 266,780                      |
| 31 Mar. 2021             | 5,898                       | 143,354          | 25,833         | 175,086                      |
| <b>MOD 21 GmbH Group</b> |                             |                  |                |                              |
| 31 Mar. 2023             | 13,468                      | 20,430           | 37,420         | 71,318                       |
| 31 Dec. 2022             | 11,131                      | 22,048           | 37,155         | 70,334                       |
| 31 Mar. 2021             | 7,662                       | 17,245           | 42,537         | 67,444                       |

|   |        |        |       |        |
|---|--------|--------|-------|--------|
| <b>Erbud International Sp. z o.o.</b>     |        |        |       |        |
| 31 Mar. 2023                              | 340    | 7,259  | 5,755 | 13,355 |
| 31 Dec. 2022                              | 340    | 9,285  | 6,846 | 16,471 |
| 31 Mar. 2021                              | 0      | 0      | 0     | 0      |
| <b>ERBUD Industry Sp. z o.o.</b>          |        |        |       |        |
| 31 Mar. 2023                              | 9,267  | 2,376  | 5,981 | 17,623 |
| 31 Dec. 2022                              | 8,767  | 2,376  | 6,640 | 17,783 |
| 31 Mar. 2021                              | 20,358 | 8,590  | 6,092 | 35,041 |
| <b>Erbud Industry Centrum Sp. z o.o.</b>  |        |        |       |        |
| 31 Mar. 2023                              | 430    | 9,010  | 3,935 | 13,375 |
| 31 Dec. 2022                              | 430    | 12,627 | 2,914 | 15,971 |
| 31 Mar. 2021                              | 1,438  | 6,894  | 1,390 | 9,722  |
| <b>Satchwell Polska Sp. z o.o.</b>        |        |        |       |        |
| 31 Mar. 2023                              | 0      | 0      | 679   | 679    |
| 31 Dec. 2022                              | 0      | 0      | 673   | 673    |
| <b>ERBUD Industry Południe Sp. z o.o.</b> |        |        |       |        |
| 31 Mar. 2023                              | 100    | 5,738  | 2,040 | 7,878  |
| 31 Dec. 2022                              | 140    | 5,973  | 1,700 | 7,813  |
| 31 Mar. 2021                              | 387    | 1,767  | 2,741 | 4,895  |
| <b>IVT Weiner + Reimann GmbH</b>          |        |        |       |        |
| 31 Mar. 2023                              | 2,380  | 70     | 1,243 | 3,693  |
| 31 Dec. 2022                              | 2,401  | 70     | 1,247 | 3,718  |
| 31 Mar. 2021                              | 2,594  | 70     | 0     | 2,664  |
| <b>IVT Menzenbach GmbH</b>                |        |        |       |        |
| 31 Mar. 2023                              | 753    | 0      | 0     | 753    |
| 31 Dec. 2022                              | 755    | 0      | 0     | 755    |
| 31 Mar. 2021                              | 750    | 0      | 0     | 750    |

|              |              |        |       |                  |
|--------------|--------------|--------|-------|------------------|
| IKR GmbH     |              |        |       |                  |
| 31 Mar. 2023 | 5,073        | 19,224 | 6,546 | 30,843           |
| 31 Dec. 2022 | 5,089        | 19,537 | 5,329 | 29,955           |
| 31 Mar. 2023 | Total        |        |       | <b>1,054 693</b> |
| 31 Dec. 2022 | <b>Total</b> |        |       | <b>988,136</b>   |
| 31 Mar. 2021 | <b>Total</b> |        |       | <b>827,304</b>   |

### Contingent liabilities under lawsuits against companies from the ERBUD GROUP

| Item   | 31 Mar. 2022 (in PLN M) | 31 Dec. 2021 (in PLN M) | 31 Mar. 2021 (value in PLN M) |
|--|-------------------------|-------------------------|-------------------------------|
| Contingent liabilities under lawsuits brought against ERBUD S.A. | 46.68                   | 46.68                   | 46.68                         |

Based on legal opinions and knowledge of cases, the Management Board of ERBUD S.A. determines the probability of the Company winning cases related to contingent liabilities. Among contingent liabilities, the highest amount concerns the dispute with MPL Modlin Sp. z o.o. – PLN 34.68 million.

As of 31 March 2022, the Group had the following contingent receivables under guarantees where the ERBUD Group companies are beneficiaries.

### Contingent receivables under guarantees held

| Item   | As of 31 Mar. 2023<br>in '000 PLN | As of 31 Dec. 2022<br>in '000 PLN | As of 31 Mar. 2021<br>in '000 PLN | Company                            |
|--|-----------------------------------|-----------------------------------|-----------------------------------|------------------------------------|
| Performance retention bond, bond, payment guarantees | 69,862                            | 75,491                            | 73,945                            | ERBUD S.A.                         |
| Performance retention bond                           | 59,156                            | 56,677                            | 35,794                            | ONDES.A.                           |
| Performance retention bond                           | 2,753                             | 2,545                             | 0                                 | Erbud International Sp. z o.o.     |
| Performance retention bond                           | 33,450                            | 33,784                            | 23,975                            | MOD 21 GmbH Group                  |
| Performance retention bond                           | 25                                | 25                                | 38                                | Erbud Industry Centrum Sp. z o.o.  |
| Performance retention bond                           | 10,207                            | 13,044                            | 15,767                            | ERBUD Industry Sp. z o.o.          |
| Performance retention bond                           | 351                               | 162                               | 629                               | ERBUD Industry Południe Sp. z o.o. |
| Performance retention bond                           | 47                                | 47                                | 47                                | IVT Weiner + Reimann GmbH          |
| Performance retention bond                           | 0                                 | 0                                 | 0                                 | Satchwell Sp. z o.o.               |
| Performance retention bond                           | 0                                 | 0                                 | 0                                 | IVT Menzenbach GmbH                |
| Performance retention bond                           | 0                                 | 0                                 | 0                                 | IKR GmbH                           |
| <b>Total:</b>  | <b>175,852</b>                    | <b>181,775</b>                    | <b>175,008</b>                    |                                    |



## **8. Major events in Q1 2023 and significant events beyond 31 Mar. 2023 - description of significant achievements or failures of the issuer in the period covered by the report together with a list of the most important events concerning the Issuer; indication of factors and events, including atypical ones, having a significant impact on the abbreviated financial statements).**

### **8.1. Risks related to COVID-19 virus**

As of the date of publication of Q1 2023 financial statements of the ERBUD Group the Issuer's Management Board does not see any risks related to COVID 19 pandemic. The pandemic situation already in 2022 did not involve any risks that could affect the ERBUD Group's operations. There are still some isolated cases of pandemic in the Group, but they are so rare that they do not pose a problem.

The Ministry of Health had originally planned that the epidemic emergency would be lifted on 31 March 2023. However, it was decided to further extend the period until 30 June 2023. The extension of the state of epidemic emergency is provided for in the Decree of the Council of Ministers of 27 April 2023, amending the Decree on the establishment of certain restrictions, orders and prohibitions in connection with the occurrence of a state of epidemic emergency (Journal of Laws of 2023, item 821).

The Decree came into force on 30 April 2023.

### **8.2. Risks related to the conflict in the territory of Ukraine**

The impact of the war in Ukraine that broke out in 2022 determined undoubtedly the construction sector's activities last year. A quantum leap in material prices, interrupted deliveries, affected margins on on-going projects in all ERBUD Group business segments. All management focused on obtaining surcharges from contracting authorities and optimizing costs. In addition, the construction sector has started to battle with weak demand. The housing market virtually came to a halt as a result of high interest rates. The number of new residential developments in Q4 2022 was 40% down compared to that in the previous year. Other private investment projects have been reduced significantly. Foreign investors started to perceive Poland as a war zone, and consequently dangerous. The law introducing maximum energy prices, the final form of which was not known until the end of the Q4 2022, had a negative impact on wind and PV farm construction activities as well as the development of these projects. The first quarter (Q1) is a mix of factors related to the war in Ukraine and the macroeconomic situation. In March, core inflation, net of energy and food prices, reached an annual rate of 12.3 per cent, according to the National Bank of Poland (NBP). The index is slightly lower than CPI inflation (16.1 per cent). A steady increase in core inflation has been visible since the onset of the year. This is a worrying development, indicating that inflation has become embedded permanently in our economy.

The latest data of Statistics Poland (former Polish Central Statistical Office) also shows that in March 2023 the general business climate index is negative and equals to -16.9 (-20.4 a month ago). An improvement of the business climate is reported by 8.5% of enterprises, while its deterioration is reported by 25.3% (a month ago, 7.7% vs. 28.1%, respectively). Other companies consider their situation unchanged.

Unfavourable assessments of the current order portfolio and construction and assembly production in the domestic market persist.

A problem arises due to an increase in payment delays for completed construction and erection works, similar to that in February. The building contractors anticipate an employment downsizing, although less significant than forecast last month. Construction and assembly activity prices are expected to rise, but at a slower rate than in February.

None of the ERBUD Group's companies has operated in the war zones or in Russia.

An anticipation of the problems associated with the military conflict in Ukraine triggered by Russia is the reorientation of construction activities at the Western European market. The Group is very much counting on the positive performance of the new market segment - the fabrication and sale of timber modular buildings. The fabrication under the first orders has already started while we will be able to see the first results in the second half (H2) of 2023.

## 9. Other information key to the assessment of the personnel, economic and financial standing, financial result and any changes, necessary to assess the Issuer's capacity to meet its obligations;

As the end of March 2023, the ERBUD Group's total debt related to loans, borrowings and bonds and financial leases under IFRS 16 amounted to PLN 407,419 thousand, including PLN 232,646 thousand of short-term debt.

Debt under IFRS 16 totals PLN 29,428 thousand.

The potential indebtedness of the ERBUD Group under the loan agreements and multi-purpose bank and insurance guarantee facilities existing as at the date of publication is PLN 2,086,595 thousand.

The Group's loans and borrowings from banks are secured with:

- contractual and capped mortgages on the Group's assets,
- assignments of rights under building contracts,
- clauses with entitlement to deduct receivables from bank accounts
- blank promissory notes,
- transfer of ownership title to cash deposits representing the contractual percentage of secured receivables.
- registered pledge and financial pledges on shares,
- registered pledge on chattels and property rights

### 9.1. Specification of signed loan agreements and agreements concerning multi-purpose guarantee lines.

Loan agreements signed by ERBUD Group member companies (as of the Report Date)

| Bank                         | Type of liability        | Amount ('000 PLN) | Currency | Interest terms   | Repayment date | Payment of instalments | Borrower  |
|------------------------------|--------------------------|-------------------|----------|------------------|----------------|------------------------|---|
| BNP Paribas Bank Polska S.A. | Overdraft facility       | 11,000            | PLN      | WIBOR 3M +1.50%  | 31 May 2023    | one-off                | ERBUD S.A. 3 000; ONDE S.A. 5,000; ERBUD INTERNATIONAL 3,000; |
| mBank S.A.                   | Overdraft facility       | 40,000            | PLN      | WIBOR 1M +1.60%  | 31 May 2023    | one-off                | ERBUD S.A. – 15 000; ONDE S.A. – 30 000                       |
| mBank S.A.                   | Working capital facility | 40,863            | PLN      | WIBOR 1M + 1.60% | 31 May 2023    | one-off                | ONDE S.A.   |
| PKO Bank Polski S.A.         | Overdraft facility       | 20,000            | PLN      | WIBOR 3M 1.60%   | 30 Jun. 2023   | one-off                | ERBUD S.A.  |
| Alior Bank S.A.              | Overdraft facility       | 10,000            | PLN      | WIBOR 3M+1.6%    | 30 Sept. 2023  | one-off                | ERBUD S.A.  |

|                                  |  |        |     |                     |                    |                       |  |
|----------------------------------|--|--------|-----|---------------------|--------------------|-----------------------|--|
| ING Bank Śląski S.A.             | Overdraft facility   | 64,000 | PLN | WIBOR 1M +1.65%     | 31 Jan. 2024       | one-off               | ERBUD S.A – 64000.; ONDE S.A – 20 000.; ERBUD Industry Centrum – 4 000; Erbud International 5 000; |
| Santander Bank Polska S.A.       | Overdraft facility   | 5,000  | PLN | WIBOR 1M +2.0%      | 7 Jul. 2023        | one-off               | ERBUD S.A.   |
| BNP Paribas Bank Polska S.A.     | Non-revolving loan for real property acquisition                         | 5,256  | EUR | 3.69%               | 27 Apr. 2028       | On instalment basis   | ERBUD S.A.   |
| BNP Paribas Bank Polska S.A.     | Overdraft facility   | 7,000  | PLN | WIBOR 1M +1.50%     | 31 May 2023        | one-off               | ERBUD S.A.   |
| BNP Paribas Bank Polska S.A.     | project finance facility   | 10,000 | PLN | WIBOR 1M +1.50%     | 31 May 2023        | one-off               | ERBUD S.A.   |
| Credit Agricole Bank Polska S.A. | working capital facility   | 7,000  | PLN | WIBOR 1M +1.40%     | 30 Sept. 2023      | one-off               | ERBUD S.A.   |
| Credit Agricole Bank Polska S.A. | working capital facility   | 4,000  | PLN | WIBOR 1M +1.40%     | 30 Sept. 2023      | one-off               | Erbud Industry Centrum Sp. z o.o.  |
| Credit Agricole Bank Polska S.A. | working capital facility   | 7,000  | PLN | WIBOR 1M +1.40%     | 30 Sept. 2023      | one-off               | Erbud Industry Centrum Sp. z o.o.  |
| Credit Agricole Bank Polska S.A. | an investment loan for the acquisition of shares in Satchwell Sp. z o.o. | 2,807  | PLN | WIBOR 3M+1.55%      | 29 May 2026        | Quarterly instalments | Erbud Industry Centrum Sp. z o.o.  |
| Credit Agricole Bank Polska S.A. | working capital facility   | 7,000  | PLN | WIBOR O/N+1.40%     | 30 Sept. 2023      | one-off               | ERBUD Industry Południe Sp. z o.o.   |
| Credit Agricole Bank Polska S.A. | Working capital facility   | 1,000  | PLN | WIBOR 1M +1.40%     | 30 Sept. 2023      | one-off               | Satchwell Sp. z o.o  |
| mBank S.A.                       | Overdraft facility   | 3,000  | PLN | WIBOR 1M +1,5%      | 29 Jul. 2023       | one-off               | ERBUD International Sp. z o.o.   |
| ING Bank Śląski S.A.             | Investment loan  | 2,110  | PLN | WIBOR 1M + 2,15%    | 30 Nov. 2025       | On instalment basis   | ONDE S.A.  |
| Santander Bank Polska S.A.       | Overdraft facility   | 20,000 | PLN | WIBOR 1M + 2,0%     | 7 Jul. 2023        | one-off               | ONDE S.A.  |
| BNP Paribas Bank Polska S.A.     | Non-revolving loan for renovation and expansion of real estate           | 2,139  | EUR | 3.69%               | 20 May 2028        | On instalment basis   | MOD21 Sp. z o.o.   |
| CommerzBank AG                   | Overdraft facilities   | 2,000  | EUR | EURIBOR 3M+ 0.25%   | 31 May 2023        | one-off               | MOD21 GmbH (former GWI GmbH)   |
| Deutsche Bank AG                 | Overdraft facilities   | 1,000  | EUR | 2.25%               | 30 May 2023        | one-off               | MOD21 GmbH (former GWI GmbH)   |
| Commerzbank                      | Overdraft facilities   | 1,500  | EUR | EURIBOR + 1.5%-2.0% | Valid indefinitely | one-off               | IVT Weiner + Reimann GmbH  |
| National Bank AG                 | Overdraft facilities   | 1,000  | EUR | EURIBOR + 1.5%-2.5% | Valid indefinitely | one-off               | IVT Weiner+Reimann GmbH, Erbud Holding DE; IKR   |
| Santana Bank AG                  | Overdraft facilities   | 2,000  | EUR | EURIBOR + 1.5%-2.5% | Valid indefinitely | one-off               | IVT Weiner+Reimann GmbH, Erbud Holding DE; IKR   |
| Ford Bank AG                     | Car loan   | 1      | EUR | 0.00%-3.92%         | 31 Jul. 2023       | instalments           | IVT Weiner + Reimann GmbH  |

|                 |                              |         |     |                   |               |             |                           |
|-----------------|------------------------------|---------|-----|-------------------|---------------|-------------|---------------------------|
| Santana Bank AG | Car loan                     | 357     | EUR | 0.00%-3.92%       | 31 Jul. 2023  | instalments | IVT Weiner + Reimann GmbH |
| KIA Finance     | Car loan                     | 34      | EUR | 0.00%-3.92%       | 30 Jun. 2026  | instalments | IVT Weiner + Reimann GmbH |
| Ford Bank AG    | Car loan                     | 51      | EUR | 0.00%-5.99%       | 30 Sept. 2024 | instalments | IKR                       |
| Santana Bank AG | Car loan                     | 58      | EUR | 0,00%-3,19%       | 1 Oct. 2024   | instalments | IKR                       |
| mBank           | construction/investment loan | 41,687  | PLN | WIBOR 3M+2.3 p.p. | 30 Jun. 2033  | instalments | Garganey                  |
| mBank           | revolving loan facility      | 11,701  | PLN | WIBOR 1M+1.5 p.p. | 30 Jun. 2023  | one-off     | Garganey                  |
|                 | Total:                       | 315,167 | PLN |                   |               |             |                           |
|                 | Total:                       | 15,396  | EUR |                   |               |             |                           |

### Bank guarantee limits made available to the Group - as of Report Date.

| Guarantor                    | Type of liability   | Limit amount '000                            | Currency | Obligor   |
|------------------------------|---|--|----------|---|
| Alior Bank S.A. Group        | Bid bonds, performance bond, retention bond, advance payment, re-guarantees | 80,000                                       | PLN      | ERBUD S.A.  |
| Alior Bank S.A. Group        | Bid bonds, performance bond, retention bond, advance payment, re-guarantees | 2,000  | EUR      | ERBUD S.A.  |
| BNP Paribas Bank Polska S.A. | Bid bonds, performance bond, retention bond, advance payment, re-guarantees | 123,000                                      | PLN      | ERBUD S.A. (120,000); ONDE S.A. (120,000); ERBUD INTERNATIONAL (3,000); |
| mBank S.A.                   | Bid bonds, performance bond, retention bond                                 | 85,000                                       | PLN      | ERBUD S.A.  |
| mBank S.A.                   | Bid bonds, performance bond, retention bond                                 | 40,000                                       | PLN      | ERBUD S.A. – 10,000<br>ONDE S.A. – 30,000                               |
| PKO Bank Polski S.A.         | Bid bonds, performance bond, retention bond                                 | 50,000                                       | PLN      | ERBUD S.A.  |
| Santander Bank Polska S.A.   | Bid bonds, performance bond, retention bond                                 | 100,800                                      | PLN      | ERBUD S.A. – 60,800.;<br>ONDE S.A. – 40,000,                            |
| HSBC Bank Polska S.A.        | Bid bonds, performance bond, retention bond                                 | 100 000<br>(50 million for green guarantees) | PLN      | ERBUD S.A. ONDE S.A.  |

|                                  |   |                |            |   |
|----------------------------------|---|----------------|------------|---|
| Credit Agricole Bank Polska S.A. | Bid bonds, performance bond, retention bond | 60,000         | PLN        | ERBUD S.A. (60 000), ERBUD Industry Centrum Sp. z o.o. (17,000), ERBUD Industry Poludnie (12,000)                             |
| Credit Agricole Bank Polska S.A. | Bid bonds, performance bond, retention bond | 1,000          | PLN        | Satchwell sp. z o.o.  |
| ING Bank Śląski S.A.             | Bid bonds, performance bond, retention bond | 175,000        | PLN        | ERBUD S.A. (175,000)<br>ONDE S.A. (30 000)<br>and ERBUD Industry Centrum Sp. z o.o. (6,000);<br>Erbud International (10,000); |
| Santander Bank Polska S.A.       | Letter of credit                            | 14,000         | EUR        | ONDE S.A.   |
| BNP Paribas Bank Polska S.A.     | Bid bonds, performance bond, retention bond | 70,000         | PLN        | ERBUD S.A.; ONDE S.A.   |
| mBank S.A.                       | Bid bonds, performance bond, retention bond | 3,000          | PLN        | Erbud International Sp. z o.o.  |
| PKO Bank Polski S.A.             | Bid bonds, performance bond, retention bond | 2,960          | EUR        | MOD 21 GmbH (former GWI GmbH)   |
| Santander Bank DE AG             | Bid bonds, performance bond, retention bond | 8,000          | EUR        | IVT Weiner+Reimann GmbH, Erbud Holding DE; IKR  |
| CommerzBank S.A.                 | Bid bonds, performance bond, retention bond | 1,500          | EUR        | IVT Weiner+Reimann GmbH, Erbud Holding DE; IKR  |
| National Bank AG                 | Bid bonds, performance bond, retention bond | 2,000          | EUR        | IVT Weiner+Reimann GmbH, Erbud Holding DE; IKR  |
| <b>Total:</b>                    |   | <b>887,800</b> | <b>PLN</b> |   |
| <b>Total:</b>                    |   | <b>30,460</b>  | <b>EUR</b> |   |

### Insurance guarantee limits made available to the Group - as of Report Date.

| Guarantor            | Type of liability  | Limit amount ('000 PLN) | Currency | Obligor                 |
|----------------------|--|-------------------------|----------|-------------------------|
| STU Ergo Hestia S.A. | Bid bonds, performance bond, retention bond, advance payment | 315,000                 | PLN      | ERBUD S.A.<br>ONDE S.A. |
| PZU S.A.             | Bid bonds, performance bond, retention bond, advance payment | 20,000                  | PLN      | ERBUD S.A.              |
| Allianz Polska S.A.  | Bid bonds, performance bond, retention bond, advance payment | 1,989                   | PLN      | ERBUD S.A.              |
| KUKE S.A.            | Bid bonds, performance bond, retention bond, advance payment | 70,000                  | PLN      | ERBUD S.A.              |
| Generali TU S.A.     | Bid bonds, performance bond, retention bond, advance payment | 36500                   | PLN      | ERBUD S.A.              |

|                                  |  |         |     |   |
|----------------------------------|--|---------|-----|---|
| CREENDO                          | Bid bonds, performance bond, retention bond, advance payment | 20,000  | PLN | ERBUD S.A.; ONDE S.A.   |
| Euler Hermes AG.                 | Bid bonds, performance bond, retention bond                  | 7,500   | EUR | MOD 21 GmbH (former GWI GmbH), ERBUD S.A. i ERBUD International Sp. z o.o |
| ZURICH                           | Bid bonds, performance bond, retention bond                  | 3,500   | EUR | MOD 21 GmbH (former GWI GmbH)   |
| R+V                              | Bid bonds, performance bond, retention bond                  | 7,000   | EUR | MOD 21 GmbH (former GWI GmbH)   |
| AXA                              | Bid bonds, performance bond, retention bond                  | 1,500   | EUR | MOD 21 GmbH (former GWI GmbH)   |
| Bayerischer Versicherungsverband | Bid bonds, performance bond, retention bond                  | 1,500   | EUR | MOD 21 GmbH (former GWI GmbH)   |
| Swiss RE                         | Bid bonds, performance bond, retention bond                  | 2,000   | EUR | MOD 21 GmbH (former GWI GmbH)   |
| Credendo                         | Bid bonds, performance bond, retention bond                  | 2,500   | EUR | MOD 21 GmbH (former GWI GmbH)   |
| VHV Versicherungen               | Bid bonds, performance bond, retention bond                  | 500     | EUR | MOD 21 GmbH (former GWI GmbH)   |
| Wuerttembergische Versicherung   | Bid bonds, performance bond, retention bond                  | 750     | EUR | MOD 21 GmbH (former GWI GmbH)   |
| Chubb                            | Bid bonds, performance bond, retention bond                  | 10,000  | EUR | MOD 21 GmbH (former GWI GmbH)   |
| Generali S.A.                    | Bid bonds, performance bond, retention bond                  | 23,500  | PLN | ONDE S.A.   |
| KUKE S.A.                        | Bid bonds, performance bond, retention bond                  | 30,000  | PLN | ONDE S.A.   |
| KUKE S.A.                        | Bid bonds, performance bond, retention bond, advance payment | 5,000   | EUR | ONDE S.A.   |
| Uniq TU                          | Bid bonds, performance bond, retention bond, advance payment | 30,000  | PLN | ONDE S.A.   |
| TU Europa S.A.                   | Bid bonds, performance bond, retention bond, advance payment | 6,000   | PLN | ONDE S.A.   |
| TUIR Allianz Polska S.A.         | Bid bonds, performance bond, retention bond, advance payment | 15,000  | PLN | ONDE S.A.   |
| TU Europa S.A.                   | Bid bonds, performance bond, retention bond                  | 850     | PLN | Satchwell Sp. z o.o   |
| STU Ergo Hestia S.A.             | Bid bonds, performance bond, retention bond                  | 7,000   | PLN | Erbud Industry Centrum Sp. z o.o.   |
| WARTA S.A.                       | Bid bonds, performance bond, retention bond                  | 222     | PLN | Erbud Industry Centrum Sp. z o.o.   |
| STU Ergo Hestia S.A.             | Bid bonds, performance bond, retention bond                  | 500     | PLN | ERBUD Industry Południe Sp. z o.o.  |
| STU Ergo Hestia S.A.             | Bid bonds, performance bond, retention bond                  | 8,000   | PLN | ERBUD International Sp. z o.o.  |
| TU Gothaer.                      | Bid bonds, performance bond, retention bond                  | 644     | PLN | ERBUD International Sp. z o.o.  |
| KUKE S.A.                        | Bid bonds, performance bond, retention bond, advance payment | 4,658   | PLN | ERBUD International Sp. z o.o.  |
| Generali TU S.A.                 | Bid bonds, performance bond, retention bond                  | 2,457   | PLN | ERBUD International Sp. z o.o.  |
| R+V                              | Bid bonds, performance bond, retention bond                  | 3,000   | EUR | IVT Weiner + Reimann GmbH   |
| Total:                           |  | 602,320 | PLN |   |
| Total:                           |  | 44,750  | EUR |   |

## 9.2. Material financial contracts

In Q1 2023 and until the date of Q1 2023 Financial Statements, the Group member companies did not sign any significant financial contracts. All agreements for the extension of short-term financing in the form of overdrafts and lines for guarantees, letters of credit were extended in 2022.

## 9.3. Material information on subsidiaries.

### 9.3.1. Background information.

None

### 9.3.2. Information about entering into transactions with related entities in the Issuer's Group.

Prior to 9 May 2023 the Issuer and its subsidiaries had not entered into any transactions with related parties under terms and conditions other than following the arm's length principle.

## 9.4. Factors that, in the Issuer's opinion, will affect the Capital Group's performance in the future, including at least the next quarter.

Apart from the business events described above, no other events occurred during the period that could affect the Group's future performance.

## 9.5. Issuer's Supervisory Board

### 9.5.1. Composition

From 1 January 2023 to 31 March 2023 and as of this Report Date the Supervisory Board of ERBUD S.A. was composed of:

- Roland Bosch – Chairman of the Supervisory Board,
- Gabriel Głowka – Deputy Chairman of the Supervisory Board,
- Albert Dürr – a Supervisory Board Member,
- Michał Otto – a Supervisory Board Member,
- Janusz Reiter – a Supervisory Board Member,
- Beata Jarosz – a Supervisory Board member,
- Michał Wosik – a Supervisory Board Member,

As of 31 March 2023 and as of this Report Date, the dependent Members of the Supervisory Board of ERBUD SA are as follows:

Mr Roland Bosch and Pan Albert Dürr (representing a shareholder of Wolff & Müller Baubeteiligungen GmbH & Co. KG and Wolff & Müller Holding GmbH & Co. KG) and Mr Gabriel Głowka (has been sitting on the Supervisory Board of ERBUD SA since 15 November 2006).

The following Members of the Supervisory Board of ERBUD S.A. fulfil the independence criteria specified in the Act on Statutory Auditors: Ms Beata Jarosz, Mr Michał Otto, Mr Janusz Reiter and Mr Michał Wosik.

In addition, the following Members of the Supervisory Board of ERBUD S.A. have no actual and significant ties with a shareholder holding at least 5% of the total number of votes in ERBUD S.A: Ms Beata Jarosz, Mr Gabriel Głowka, Mr Michał Otto, Mr Janusz Reiter and Mr Michał Wosik.

Two committees report to the Supervisory Board of ERBUD S.A.:

### **Audit Committee**

From 1 January 2023 to 31 March 2023 and as of this Report Date the Remuneration Committee of ERBUD S.A. was composed of:

- Michał Otto - The Committee Chairman
- Roland Bosch - an Audit Committee Member
- Janusz Reiter - an Audit Committee Member
- Gabriel Główka - an Audit Committee Member
- Michał Wosik - an Audit Committee Member.

### **Remuneration Committee**

From 1 January 2023 to 31 March 2023 and as of this Report Date the Remuneration Committee of ERBUD S.A. was composed of:

- Roland Bosch - Remuneration Committee Chairman
- Michał Otto - a Remuneration Committee Member,
- Janusz Reiter - a Remuneration Committee Member

## **9.6. Management Board Activities**

### **9.6.1. Composition**

The Management Board Members are appointed and dismissed by the Company's Supervisory Board. The Management Board Members have not been granted special rights, in particular the right to decide on the issue or redemption of shares.

In the period from 1 January 2023 to 31 March 2023 and as of this Report Date the Management Board of ERBUD S.A. was represented by:

- Dariusz Grzeszczak - the President of the Management Board
- Agnieszka Główka - Vice-President of the Management Board
- Jacek Leczkowski - Vice-President of the Management Board

### **Signatures of all Management Board members:**

|  |   |   |
|--|---|---|
| Dariusz Grzeszczak                       | Jacek Leczkowski                              | Agnieszka Główka                              |
| <i>President of the Management Board</i> | <i>Vice-President of the Management Board</i> | <i>Vice-President of the Management Board</i> |





Operations Report of the Management Board of the Parent Company of the ERBUD Group for Q1 2023

*('000 PLN, unless stated otherwise)*

Warsaw, 9 May 2023