

CPD S.A.

3RD QUARTER REPORT FOR 9 MONTHS OF 2023 ENDED SEPTEMBER 30, 2023.

TRANSLATORS' EXPLANATORY NOTE

The following document is a free translation of the third quarter of 2023 report of CPD S.A. published on November 29, 2023.

In Poland statutory accounts must be prepared and presented in accordance with Polish legislation and in accordance with the accounting principles and practices generally used in Poland. The accompanying translated financial statements have not been reclassified or adjusted in any way to conform to accounting principles generally accepted in countries other than in Poland, but certain terminology current in Anglo-Saxon countries has been adapted to the extent practicable.

In the event of any discrepancy in interpreting the terminology, the Polish version is binding.



CONTENTS

I. OPERATING REPORT	3
1. INFORMATION OF CPD	3
2. CPD'S SUBSIDIARIES	4
3. SELECTED FINANCIAL DATA	5
4. IMPORTANT ACHIEVEMENTS, FAILURES AND THE MOST IMPORTANT EVENTS CONCERNING THE COMPANY IN THE REPORTING PERIOD	9
5. IMPORTANT ACHIEVEMENTS, FAILURES AND THE MOST IMPORTANT EVENTS CONCERNING THE COMPANY AFTER THE REPORTING PERIOD	15
6. FACTORS AND EVENTS OF AN UNUSUAL NATURE HAVING AN IMPORTANT INFLUENCE ON THE FINANCIAL STATEMENT	16
7. ACQUISITION AND SALE OF PROPERTY, PLANT AND EQUIPMENT	16
8. TRANSACTIONS WITH RELATED PARTIES CONCLUDED ON OTHER THAN MARKET CONDITIONS	16
9. THE MANAGEMENT BOARD'S POSITION ON PREVIOUSLY PUBLISHED FINANCIAL FORECASTS	17
10. SHAREHOLDERS ENTITLED TO AT LEAST 5% OF VOTES AT THE GENERAL MEETING OF SHAREHOLDERS	17
11. COMPANY SHARES HELD BY MANAGING AND SUPERVISING PARTIES	25
12. IMPORTANT COURT, ADMINISTRATIVE AND ARBITRATION PROCEEDINGS	25
13. LOAN GUARANTEES	25
14. THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD	25
15. OTHER IMPORTANT INFORMATION	27
16. FACTORS AFFECTING RESULTS OF THE FOLLOWING QUARTERS	27
II. INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE PERIOD OF 6 MONTHS ENDED 30 JUNE 2023 ALONG WITH CONDENSED FINANCIAL STATEMENTS OF CPD S.A.	28

I. OPERATING REPORT

1. 1. INFORMATION OF CPD

CPD started its activities in Poland in 1999 from the foundation of Celtic Asset Management sp. z o.o. In subsequent years, 1999–2005, the activities of the company focused on building and managing a real estate portfolio for external institutions in Poland, Czech Republic, Lithuania, Romania, Hungary and Germany. In 2005 Celtic Asset Management sp. z o.o. started development activity in cooperation with several funds managed by Laxey Partners. In 2007 the consolidation of the group under the name Celtic Property Developments S.A. (BVI) was performed and in 2008 the listing of the company Celtic Property Developments S.A. (BVI) began on a deregulated market (Freiverkehr) in Frankfurt. In the period from 2005 to 2010 the Company's main market of activity was Poland. At the same time, the Company conducted and managed projects in Montenegro, Hungary, Italy, Belgium, the United Kingdom, the Netherlands, Germany and Spain. International experience and practical knowledge of experts and managers of CPD contributed to creation of a strong and stable capital group, which the main company CPD S.A. debuted on the Warsaw Stock Exchange on December 23, 2010. September 17, 2014 the Company changed its name from Celtic Property Developments S.A. to CPD S.A.

In 2022, the CPD completed the process of monetization of the Ursus project and sold two leased office buildings located in Warsaw.

By September 30, 2023 the sale of apartments and commercial premises in the Ursus district was completed, which completed the monetization process of the Issuer's key project in the Ursus district in Warsaw. Also by September 30, 2023 all assets of the Company, including shares in subsidiaries, were sold. The company purchased its own shares, thus paying out PLN 32 million of the available financial resources at the company's disposal. As a consequence of the above actions, the management board decided in March 2023 to start the process of reviewing strategic options („Review”), the aim of which is to identify possible directions of development of the Issuer. In October 2023, the Company's shareholding structure changed. The Company continues to review strategic options aimed at selecting the best possible direction of the Company's development aimed at maximizing shareholder value. The company is considering a number of possible courses of action, which may include acquiring a strategic investor or carrying out alternative activities. The Management Board also does not rule out initiating projects in industries where the Company has not been present so far. However, the Issuer does not guarantee that the review will lead to the selection of any strategic option.

Any updates regarding the Review will be made public in accordance with applicable law.

2. CPD's subsidiaries

During the reporting period, the restructuring process of CPD's subsidiaries was completed, as a result of which, as of the balance sheet date and the date of publication of the report, CPD S.A. does not have any subsidiaries.

The following actions were taken during the reporting period:

- January 31, 2023 CPD S.A. sold 100% of shares in Challenge Eighteen sp. z o.o. in liquidation
- February 1, 2023 CPD S.A. sold 100% of shares in Ursus Development sp. z o.o. in liquidation
- March 17, 2023 CPD S.A. sold 100% of shares in Celtic Investments Ltd.
- On April 19, 2023 proceedings to dissolve the company 2/124 Gaston Investments spółka z ograniczoną odpowiedzialnością sp. k. were initiated and completed on May 18, 2023.
- On July 11, 2023 proceedings to dissolve the company 18 Gaston Investments spółka z ograniczoną odpowiedzialnością sp. k. were initiated and completed on July 18, 2023.
- On August 4, 2023 Antigo Investment sp. z o.o. purchased from CPD S.A. all rights and obligations in Ursa Sky Smart City sp. z o.o. limited liability company.
- September 29, 2023 CPD S.A. sold 100% of shares to Antigo Investments sp. z o.o.
- September 29, 2023 CPD S.A. sold 100% of shares to Lakia Enterprises Ltd.
- September 29, 2023 CPD S.A. concluded a conditional agreement for the sale of 100% of shares in Celtic Asset Management sp. z o.o.

3. SELECTED FINANCIAL DATA

Selected items of the statement of comprehensive income

	9 months ended		Change (%)
	30.09.2023	30.09.2022	
	(PLN ths.)	(PLN ths.)	
Revenue	45	18	150%
Administrative expenses	-6 244	-2 503	149%
Marketing costs	-34	-20	70%
Gain/loss on revaluation of loans	24 044	-27 162	
Other operating income	2	10	-80%
Profit/loss from operations	17 813	-29 657	
Finance income	601	12 635	-95%
Finance costs	-3 339	-1 580	111%
Profit/loss before tax	15 075	-18 602	
Income tax	6 237	-985	

In the period of 9 months ended September 30, 2023 the Company generated a net profit of PLN 21.31 M. The net profit improved by PLN 40.9 M compared to the analogous period of 2022.

There were two main factors that had an impact on the improvement in the net result. First of all, the result on revaluation of loans was positive and amounted to PLN 24.04 M, whereas in the same period in 2022 it was negative and amounted to PLN -27.16 M. Deferred income tax liabilities dropped by PLN 6.24 M, which also had a positive impact on the Company's financial results.

The positive result on revaluation of loans resulted from receiving principal and interest from related parties in the amount higher than its book value. The decrease in deferred income tax liabilities in the amount of PLN 6.24 M stemmed from the fact that the Company recognised deferred income tax assets resulting from write-downs of loan receivables.

Finance income was much lower because in the period of 9 months ended September 30, 2023 the Company didn't receive any dividend payments from subsidiaries or joint-ventures. The increase in administrative expenses resulted mainly from higher advisory costs (advisory costs were higher by PLN 3.47 M). Finance costs rose mainly as a consequence of impairment of investments in subsidiaries and the loss on disposal of these entities.

In the period of 9 months ended September 30, 2023 the Company didn't generate any substantial revenue.

The following table shows the selected items of the statement of comprehensive income translated into euro. The figures for the period of 9 months ended 30 September 2023 assumed a weighted average fx rate for the period published by the National Bank of Poland, i.e., 4.585. The figures for the analogous period of 2022 assumed a weighted average fx rate for the period published by the National Bank of Poland, i.e., 4.6727.

	9 months ended		Change (%)
	30.09.2023	30.09.2022	
	(EUR thous.)	(EUR thous.)	
Revenue	10	4	155%
Administrative expenses	-1 362	-536	154%
Marketing costs	-7	-4	73%
Gain/loss on revaluation of loans	5 244	-5 813	
Other operating income	0	2	-80%
Profit/loss from operations	3 885	-6 347	
Finance income	131	2 704	-95%
Finance costs	-728	-338	115%
Profit/loss before tax	3 288	-3 981	
Income tax	1 360	-211	
PROFIT/LOSS FOR THE YEAR	4 648	-4 192	

Selected items of the statement of financial position

	As at:		Change (%)
	2023-09-30 (PLN ths.)	2022-12-31 (PLN ths.)	
Total assets	537	66 495	-99%
Non-current assets, including:	0	41 806	-100%
<i>Long-term receivables</i>	0	38 055	-100%
<i>Shares in subsidiaries</i>	0	3 751	-100%
Current assets, including:	537	24 689	-98%
<i>Trade receivables and other receivables</i>	53	318	-83%
<i>Income tax receivables</i>	1	0	
<i>Cash and cash equivalents</i>	483	24 371	-98%
Total equity and liabilities	537	66 495	-99%
Equity, including:	395	57 176	-99%
<i>Share capital</i>	897	897	0%
<i>Treasury shares for redemption</i>	-128 103	-50 010	156%
<i>Reserve capital</i>	987	987	0%
<i>Fair value of capital element at inception date</i>	-27 909	-27 909	0%
<i>Share premium</i>	389 802	389 802	0%
<i>Retained earnings</i>	-235 279	-256 591	-8%
Non-current liabilities	0	6 237	-100%
Current liabilities	142	3 082	-95%

At the end of September 2023, the value of assets was 99% lower compared to the end of December 2022.

In the period of 9 months ended September 30, 2023 there were a drop in the value of both non-current and current assets.

As regards non-current assets, the value of long-term loan receivables from subsidiaries dropped by PLN 38.05 M (100%) as a result of loan repayments made in 2023. The value of investments in subsidiaries was lower by PLN 3.75 M (100%) as a consequence of impairment and disposal of subsidiaries.

The decrease in the value of current assets resulted mainly from shares buy-backs.

At the end of September 2023, the value of equity amounted to PLN 0.39 M, which accounted for 74% of total assets. Total liabilities accounted for 26% of total assets. These ratios changed substantially in comparison with December 2022, when they amounted to 86% and 14% respectively. The drop in the value of equity amounted to 99% in comparison with the end of December 2022.

The value of total liabilities went down by 98% compared to the end of 2022 due to a 100% decrease in the balance of deferred income tax liabilities linked to loan receivables from subsidiaries and a 100% drop in the balance of loan liabilities as a result of repayment.

As at September 30, 2023 the Company didn't have any non-current liabilities.

Current liabilities in the amount of PLN 0.14 M accounted for 26% of total assets and were mainly made up of trade liabilities and tax/social security liabilities.

The following table shows the selected items of the consolidated statement of financial position translated into euro. The figures for September 30, 2023 assumed a fx rate published by the National Bank of Poland as of September 29, 2023, i.e., 4.6356. The figures for December 31, 2022 assumed an fx rate published by the National Bank of Poland as of December 30, 2022, i.e., 4.6899.

	As at:		Change (%)
	2023-09-30 (EUR thous.)	2022-12-31 (EUR thous.)	
Total assets	116	14 178	-99%
Non-current assets, including:	0	8 914	-100%
<i>Long-term receivables</i>	0	8 114	-100%
<i>Shares in subsidiaries</i>	0	800	-100%
Current assets, including:	116	5 264	-98%
<i>Trade receivables and other receivables</i>	11	68	-83%
<i>Income tax receivables</i>	0	0	
<i>Cash and cash equivalents</i>	104	5 196	-98%
Total equity and liabilities	116	14 178	-99%
Equity, including:	85	12 191	-99%
<i>Share capital</i>	194	191	1%
<i>Treasury shares for redemption</i>	-27 635	-10 663	159%
<i>Reserve capital</i>	213	210	1%
<i>Fair value of capital element at inception date</i>	-6 021	-5 951	1%
<i>Share premium</i>	84 089	83 115	1%
<i>Retained earnings</i>	-50 755	-54 711	-7%
Non-current liabilities	0	1 330	-100%
Current liabilities	31	657	-95%

The following table shows the structure of liabilities as of September 30, 2023 and December 31, 2022.

	2023-09-30	2022-12-31
Liabilities to total assets	26,4%	14,0%
Non-current liabilities to total assets	0,0%	9,4%
Deferred tax liability	0,0%	9,4%
Current liabilities to total assets	26,4%	4,6%
Borrowings	0,0%	4,3%
Trade and other payables	26,4%	0,4%

The structure of liabilities changed considerably in comparison with December 31, 2022.

The share of non-current liabilities in total assets went down from 9.4% as of December 31, 2022 to 0% as of September 30, 2023. The change stemmed from the fact that the Company recognised deferred income tax assets resulting from write-downs of loan receivables.

The share of current liabilities in total assets went up from 4.6% to 26.4%.

At the end of September 2023 current liabilities accounted for 100% of total liabilities, whereas at the end of December 2022 the share amounted to 33%.

4. IMPORTANT ACHIEVEMENTS, FAILURES AND THE MOST IMPORTANT EVENTS CONCERNING THE COMPANY IN THE REPORTING PERIOD

● CONCLUSION OF THE SALE AGREEMENT BY THE ISSUER'S SUBSIDIARY

On February 28, 2023 the Issuer's subsidiary, i.e. Elara Investments sp. z o.o. concluded the promised agreement for the sale of the co-ownership right in the share amounting to 45415/168687 parts in the developed land property located in Warsaw, at 69 Koszykowa Street, Śródmieście district, precinct 5-05-05, District of the Capital City of Warsaw, Mazowieckie Voivodeship, consisting of a plot of land marked in the land register with the number 6 (six) with an area of 744 sqm (seven hundred and forty-four square meters) for which the District Court for Warszawa-Mokotów in Warsaw, 10th Land and Mortgage Registry Department keeps the land and mortgage register No. WA4M/00147891/9. The sales contract with a total gross value of PLN 3,075,000 was concluded with Revan sp. z o.o. with its registered office in Żywiec. The provisions of the above agreement do not differ from the standards commonly applicable to this type of agreement.

● CONCLUSION OF THE SALE AGREEMENT BY THE ISSUER'S SUBSIDIARY

On March 1, 2023 the Issuer's subsidiary, i.e. Lakia Investments sp. z o.o. concluded the promised agreement for sale of perpetual usufruct right to real estate consisting of a built-up land plot no. 8/7, precinct no. 146505_8.0813, located in Warsaw in the Mokotów District, at 7b Cybernetyki street, with an area of 3,908 sqm, described in the land and mortgage register WA2M/00139786/7 kept by the District Court for Warszawa-Mokotów in Warsaw, 7th Division of Land and Mortgage Registers,

as well as the sale of the ownership right to the Solar office building located on the ground, together with the ownership right buildings and other devices located on the land and all rights related to it and the right of perpetual usufruct of the property consisting of a built-up land plot no. 8/12, precinct no. 146505_8.0813, located in Warsaw in the Mokotów District, at 7 Cybernetyki street, with an area of 2,410 sqm, described in the land and mortgage register WA2M/00457211/1 kept by the District Court for Warsaw-Mokotów in Warsaw, 7th Land and Mortgage Register Division. The sales contract with a total gross value of PLN 28,290,000 was concluded with Flora Development 22 spółka z ograniczoną odpowiedzialnością with its registered office in Warsaw. The provisions of the above agreement do not differ from the standards commonly applicable to this type of agreement.

● **REVIEW OF STRATEGIC OPTIONS**

On March 1, 2023 Management Board of CPD S.A. decided to start the process of reviewing strategic options, the purpose of which is to identify possible directions of development of the Issuer. The review will result in an assessment of possible courses of action aimed at maximizing shareholder value. The Company is considering a few possible courses of action, which may include acquiring a strategic investor or carrying out alternative actions, which may result in a change in the Company's shareholding structure. The Management Board also does not rule out initiating projects in industries where the Company has not been present so far. However, the Issuer does not guarantee that the review will lead to any transaction changing this structure, and furthermore that the review will lead to the selection of any strategic option. The decision to start the Review results from the finalization of the Issuer's key project in the Ursus district in Warsaw, including the completion of the process of monetization of the land located there, as well as the sale of the last key assets, which the company informed about in recent reports.

● **INFORMATION ON THE INVITATION TO SUBMIT OFFERS FOR SALE OF SHARES OF CPD S.A.**

On March 7, 2023 the Management Board of CPD S.A., acting on the basis of Resolution No. 2/III/2023 of the Management Board of the Company of March 7, 2023 on determining the detailed conditions for the purchase of the Company's shares, in connection with Resolution No. 21 of the Ordinary General Meeting of CPD Spółka Akcyjna with its registered office in Warsaw of June 28, 2022 on authorizing the Company's Management Board to purchase own shares for redemption, invited the Company's shareholders to submit offers for the sale of its shares for redemption under the conditions set out in the Invitation to Submit Sale Offers.

● **CONCLUSION OF A SALE AGREEMENT OF SHARES IN A SUBSIDIARY COMPANY**

On March 17, 2023 an agreement was concluded under which the Company sold 100% of the shares it held in the share capital of the company under the business name Celtic Investments Ltd with its registered office in Nicosia ("Agreement"). Due to the conclusion of the Agreement described above, the Company ceased to have share rights in the share capital of Celtic Investments Ltd with its registered office in Nicosia and the above company is no longer part of the "CPD" Capital Group. Celtic Investments Ltd with its registered office in Nicosia did not have any significant assets. The sale price of 100% of shares i.e., 1,000 shares with a value of EUR 1,000, specified in the agreement, amounted to EUR 1,000 (one thousand). As a result of the above agreement, the Company's consolidated statement of financial position does not include the liability described in the section „Significant Court, Administrative and Arbitration Proceedings” in the Company's periodic reports since 2019.

- **INFORMATION ON ACCEPTANCE OF SHARES SALE OFFERS**

In connection with the Invitation to submit Offers for the Sale of the Company's Shares announced on March 7, 2023 based on which the Company proposed the purchase of no more than 1,535,558 (one million five hundred thirty five thousand five hundred fifty eight) ordinary bearer shares of the Company marked with the ISIN code PLCELPD00013 („Shares”), during the period of accepting Share Sale Offers from March 9 to March 21, 2023, 155 valid Share Sale Offers were submitted for a total of 6,800,469 (six million eight hundred thousand four hundred sixty nine) shares of the Company. On March 22, 2023 the Company decided to accept all valid offers for the sale of the Shares and to reduce them in accordance with the principles set out in the Invitation. Since the sale offers covered a larger number of shares than the 1,535,558 shares proposed by the Company, each Share Sale Offer was executed in part and reduced by approximately 77.66% on average.

- **PURCHASE OF OWN SHARES FOR REDEMPTION**

On March 24, 2023 as a result of the settlement of the purchase of shares in CPD S.A. as a result of the invitation to submit offers for the sale of the Company's shares announced on March 7, 2023 the Company purchased 1,535,558 shares of the Company (treasury shares). The Own Shares acquisition will take place outside the regulated market, through the National Depository for Securities. The shares were acquired in accordance with Resolution No. 21 of the Extraordinary General Meeting of CPD S.A. of June 28, 2022 on authorizing the Company's Management Board to purchase own shares for redemption, in accordance with Art. 362 § 1 point 5) k.s.h. (Commercial Companies Code) the purchase price per share was PLN 29.90. All purchased shares are ordinary shares with a nominal value of PLN 0.10 each. Acquired shares of CPD S.A. (in the number of 1,535,558 shares) constitute 17.13% of the share capital of the Company and represent 1,535,558 votes at the General Meeting of the Company (21.05% of the total number of votes at the General Meeting of the Company), however, in accordance with applicable regulations, the Company is not entitled to exercise voting rights from own shares.

- **INFORMATION ON THE RESIGNATION OF A MEMBER OF THE SUPERVISORY BOARD FROM FUNCTIONED FUNCTIONS**

Management Board of CPD S.A. on June 1, 2023, received the resignation of a member of the Supervisory Board from his position.

Mr. Krzysztof Laskowski, previously a Member of the Supervisory Board of the Company, resigned from his function with effect from the date of the Ordinary General Meeting, the subject of which was to consider and approve the Management Board's report on the company's activities and the financial statements for 2022 and to grant discharge to the members of the company's governing bodies in respect of their performance by their responsibilities in 2022.

Mr. Krzysztof Laskowski met the criteria of an independent member of the Council. Mr. Krzysztof Laskowski did not provide reasons for his resignation.

- **CONCLUSION OF THE SALE AGREEMENT BY THE ISSUER'S SUBSIDIARY**

On June 16, 2023, the Issuer's subsidiary, i.e. HUB Investments sp. z o.o. concluded a final contract for the sale of the ownership right to an undeveloped land property located in Wolbórz, Wolbórz registration district, Piotrowski County, Łódź Voivodeship, consisting of plots of land marked in the land register with numbers: 1263/7, 1264/2, 1289/1 with a total area of 97,871 sqm, for which the District Court in Piotrków Trybunalski, 6th Land and Mortgage Register Department keeps land and mortgage registers with the following numbers: PT1P/00034997/8, PT1P/00072642/3,

PT1P/00075470/7. The sales agreement with a total value of PLN 2,337,000 gross was concluded with Satoia S.A. based in Wrocław. The provisions of the above agreement do not differ from the standards generally applicable to this type of agreements.

- **INFORMATION ON THE APPOINTMENT OF A MEMBER OF THE SUPERVISORY BOARD**

Management Board of CPD S.A. on June 28, 2023, announced that the Extraordinary General Meeting of the Company had appointed Mr. Krzysztof Zawadzki to serve as a Member of the Company's Supervisory Board from June 28, 2023.

- **INFORMATION ABOUT THE EDUCATION, QUALIFICATIONS AND professional career of Mr. Krzysztof Zawadzki is available on the Company's website.**

- **INFORMATION ABOUT THE INVITATION TO SUBMIT OFFERS FOR SALE OF CPD S.A. SHARES**

On July 24, 2023, the Management Board of CPD S.A., acting pursuant to Resolution No. 12/VII/2023 of the Company's Management Board of July 24, 2023 on establishing detailed conditions for the purchase of the Company's shares, in connection with Resolution No. 21 of the Ordinary General Meeting of CPD Spółka Akcyjna with its registered office in Warsaw of June 28, 2022 regarding the authorization of the Company's Management Board to purchase own shares for the purpose of redemption, invited the Company's shareholders to submit offers for the sale of its shares for redemption under the conditions specified in the Invitation to Submit Sale Offers.

- **INFORMATION ABOUT THE RESIGNATION OF A MEMBER OF THE MANAGEMENT BOARD FROM FULFILLED FUNCTION**

Management Board of CPD S.A. (hereinafter referred to as the „Company”) announced on July 28, 2023 that Mr. John Purcell, previously a Member of the Company's Management Board, resigned from his position. Mr. John Purcell did not give reasons for his resignation.

- **INFORMATION ON ACCEPTANCE OF SHARES SALE OFFERS**

In connection with the Invitation to submit Sale Offers for the Company's Shares announced on July 24, 2023, on the basis of which the Company proposed to purchase no more than 1,274,943 (in words: one million two hundred and seventy-four thousand nine hundred and forty-three) ordinary bearer shares of the Company marked with the ISIN code PLCELPD00013 („Shares”), during the period of accepting Share Sale Offers from August 2 to August 18, 2023, 195 valid Share Sale Offers were submitted, amounting to a total of 5,261,960 (in words: five million two hundred and sixty-one thousand nine hundred and sixty) shares of the Company.

On August 23, 2023 the Company decided to accept all valid offers for the sale of Shares and to reduce them, carried out in accordance with the principles set out in the Invitation. Since the sale offers amounted to a larger number of shares than the 1,274,943 shares proposed by the Company, each Share Sale Offer was partially implemented – the reduction of offers was carried out in accordance with the principles described in the Invitation and the sale offers will be reduced on average by approximately 75.77%.

- **PURCHASE OF OWN SHARES FOR THE PURPOSE OF CANCELLATION**

On August 23, 2023 as a result of the settlement of the transaction of purchasing shares of CPD S.A. as a result of the invitation to submit offers for the sale of the Company's shares announced on July 24, 2023

(hereinafter referred to as the „Invitation”), the Company purchased 1,274,943 shares of the Company (own shares). The transaction of purchasing the Own Shares took place outside the regulated market, through the National Depository of Securities.

The shares were acquired in accordance with Resolution No. 21 of the Extraordinary General Meeting of CPD S.A. of June 28, 2022, regarding the authorization of the Company’s Management Board to purchase own shares for the purpose of their redemption, in accordance with Art. 362 § 1 point 5) of the Commercial Companies Code. The purchase price of one share was PLN 25.24.

All purchased shares are ordinary shares with a nominal value of PLN 0.10 each. Acquired shares of CPD S.A. (1,274,943 shares) constitute 14.22% of the Company’s share capital and represent 1,274,943 votes at the General Meeting of the Company (22.14% of the total number of votes at the General Meeting of the Company), however, in accordance with applicable regulations, the Company is not entitled to exercise voting rights attached to own shares.

The above purchase of own shares fully fulfilled the authorization of the Company’s Management Board to purchase own shares for the purpose of their redemption, adopted by the Extraordinary General Meeting of CPD S.A. By resolution No. 21 of June 28, 2022, as a result of all previous share purchases carried out in 2013-2023, the Company purchased a total of 36,603,324 shares, allocating PLN 589,484,305 for this purpose. Considering the fact that in 2013, shareholders held 34,307,488 shares, the average value of funds obtained by shareholders per share was PLN 17.18.

Date of shares buy-back	No. of shares	Price in PLN	Amount
15.04.2013	1,732,394	7.10	12,299,997
26.10.2017	1,401,792	12.27	17,199,988
20.06.2018	11,581,100	12.34	142,910,774
22.03.2019	3,305,886	13.01	43,009,577
26.03.2020	614,385	5.00	3,071,925
25.06.2020	4,779,565	14.92	71,311,110
3.08.2021	8,705,110	19.71	171,577,718
29.07.2022	1,672,591	29.90	50,010,471
24.03.2023	1,535,558	29.90	45,913,184
24.08.2023	1,274,943	25.24	32,179,561
Total	36,603,324	16.10	589,484,305

● **CONCLUSION OF AN AGREEMENT WITH AN AUDITOR**

Management Board of CPD S.A. concluded the contract with Grant Thornton Polska Prosta spółka Akcyjna with its registered office in Poznań, at 88 E Abpa Antoniego Baraniaka Street, entered on the list of entities authorized to audit financial statements under number 4055, as the Company's statutory auditor, signed with Grant Thornton Polska Prosta spółka akcyjna with its registered office in Poznań, at 88 E Abpa Antoniego Baraniaka Street, entered on the list of entities authorized to audit financial statements under number 4055, at:

- audit of the separate financial statements of CPD S.A. prepared for the period from January 1, 2023 to December 31, 2023,
- audit of the consolidated financial statements of the CPD Group prepared for the period from January 1, 2023 to December 31, 2023,
- review of the separate interim financial statements of CPD S.A. for the period from January 1, 2023 to June 30, 2023,
- review of the interim consolidated financial statements of the CPD Group for the period from January 1, 2023 to June 30, 2023;

and

- audit of the separate financial statements of CPD S.A. prepared for the period from January 1, 2024 to December 31, 2024,
- audit of the consolidated financial statements of the CPD Group prepared for the period from January 1, 2024 to December 31, 2024,
- review of the separate interim financial statements of CPD S.A. for the period from January 1, 2024 to June 30, 2024,
- review of the interim consolidated financial statements of the CPD Group for the period from January 1, 2024 to June 30, 2024.

The company has so far used the services of Grant Thornton Polska Prosta spółka akcyjna to audit and review financial statements for 2018, 2019, 2020, 2021 and 2022.

● **CONCLUSION OF SALE AGREEMENTS FOR SHARES IN THE SHARE CAPITAL OF SUBSIDIARIES**

On September 29, 2023 the Company concluded the following share sale agreements with a company that is not related to the Company:

- 1) share sale agreement, under which the buyer purchased from the Company 101 shares in the share capital of „ANTIGO INVESTMENTS” Spółka z ograniczoną odpowiedzialnością, for a price constituting their book value, i.e. PLN 2,000.00.
- 2) a conditional share sale agreement, under which the buyer will purchase from the Company 216 shares in the share capital of CELTIC ASSET MANAGEMENT Spółka z ograniczoną odpowiedzialnością, for a total price of PLN 400,000.00. Due to the fact that CELTIC ASSET MANAGEMENT Spółka z ograniczoną odpowiedzialnością is the owner of agricultural real estate, the share sale agreement was concluded on the condition that the National Centre for Agricultural Support did not exercise the right of pre-emption of the shares.
- 3) share sale agreement, under which the buyer purchased from the Company 3,711 shares in a company incorporated under Cypriot law LAKIA ENTERPRISES LIMITED, the book value of which is PLN 0, for a total price of PLN 1,000.00

The remaining terms and conditions of the concluded contracts do not differ from those customarily adopted for this type of contracts.

5. IMPORTANT ACHIEVEMENTS, FAILURES, AND THE MOST IMPORTANT EVENTS CONCERNING THE COMPANY AFTER THE REPORTING PERIOD

● INFORMATION ON THE RESIGNATION OF THE PRESIDENT OF THE MANAGEMENT BOARD

Mr. Colin Kingsnorth, previously the Chairman of the Company's Management Board, resigned from his position on October 10, 2023. Mr. Colin Kingsnorth did not give reasons for his resignation.

● INFORMATION ON THE RESIGNATION OF MEMBERS OF THE SUPERVISORY BOARD FROM THEIR FUNCTIONS

Mr. Mirosław Gronicki resigned from his position on the Supervisory Board of the Company on November 14, 2023. Mr. Wiesław Oleś and Mr. Andrew Pegge resigned from their positions on the Supervisory Board of the Company on November 13, 2023. Mr. Andrew Pegge served as the Chairman of the Supervisory Board Company and Mr. Mirosław Gronicki served as the chairman of the Company's Audit Committee. Mr. Andrew Pegge, Mr. Mirosław Gronicki and Wiesław Oleś did not provide reasons for their resignation.

● EXTRAORDINARY GENERAL MEETING OF CPD S.A.

November 15, 2023 at 11:00, at the Company's headquarters at 2 10 Szara Street, 00-420 Warsaw, an Extraordinary General Meeting of the Company („EGM”) was held, with the following agenda:

1. Opening of the Assembly.
2. Election of the Chairman of the Meeting.
3. Confirmation that the Meeting was properly convened and its ability to adopt resolutions.
4. Adoption of the agenda.
5. Adopting a resolution on the redemption of the Company's own shares.
6. Adoption of a resolution on reducing the Company's share capital and amending the Company's Articles of Association.
7. Adoption of a resolution on changes in the composition of the Supervisory Board.
8. Closing of the Meeting.

The Extraordinary General Meeting of the Company („EGM”) unanimously adopted resolutions regarding:

1. Election of the Chairman of the Meeting.
2. Adoption of the agenda.
3. Redemption of the Company's own shares.
4. Capital reductions
5. Changes in the composition and remuneration of the Supervisory Board.

The EGM was convened on October 19, 2023.

● INFORMATION ON THE APPOINTMENT OF MEMBERS OF THE SUPERVISORY BOARD

On November 15, 2023 the Extraordinary General Meeting of the Company appointed Mr. Adam Proń, Mr. Wojciech Włodarczyk and Mr. Tobiasz Wybraniec to serve as Members of the Company's Supervisory Board and established the following remuneration:

- PLN 500.00 (say: five hundred) gross per month – for the appointment
- PLN 200.00 (in words: two hundred) gross per month – for performing additional functions in a separate Audit Committee

● **INFORMATION ON THE APPOINTMENT OF A PROXY**

On November 22, 2023 the Company's Management Board adopted a resolution to grant Mr. Andrzej Kudra a joint commercial power of attorney. The granted joint commercial power of attorney authorizes Mr. Andrzej Kudra to represent the Company together with a Member of the Company's Management Board.

6. FACTORS AND EVENTS OF AN UNUSUAL NATURE HAVING AN IMPORTANT INFLUENCE ON THE FINANCIAL STATEMENT

The prolonged war in Ukraine had no significant impact on CPD results for the first half year of 2023.

The company assumes that the effects of the pandemic lasting in 2020–2022, Russia's aggression against Ukraine that began in February 2022, and rising inflation may translate into the state of the economy in the following areas:

- increase in inflation,
- fluctuations in market conditions,
- change in demand for individual products,
- timeliness of project implementation,
- the availability and terms of new financing if banks and other lenders are significantly affected by a prolonged economic slowdown,
- the level and deadline for fulfilling financial obligations of contractors,
- obtaining administrative decisions,
- fluctuations in the value of assets as a result of changes in the PLN exchange rate in relation to foreign currencies, especially EUR.

Due to the fact that the prolonged aggression of Russia against Ukraine did not have a significant impact on the Company's results in previous periods, the duration of the war conflict should not affect the results in future periods. However, due to the fact that the Company is considering a number of possible courses of action, which may include acquiring a strategic investor or carrying out alternative activities, including initiating projects in industries in which the Company has not been present so far, the Management Board cannot clearly state that the above factors will not have an impact on the Company's results in future periods.

At the same time, the Company's Management Board will continue to take intensive actions to adapt its operations to the changing macro- and microeconomic conditions.

7. ACQUISITION AND SALE OF PROPERTY, PLANT AND EQUIPMENT

During the reporting period the Company did not make any significant acquisitions or disposals of property, plant or equipment.

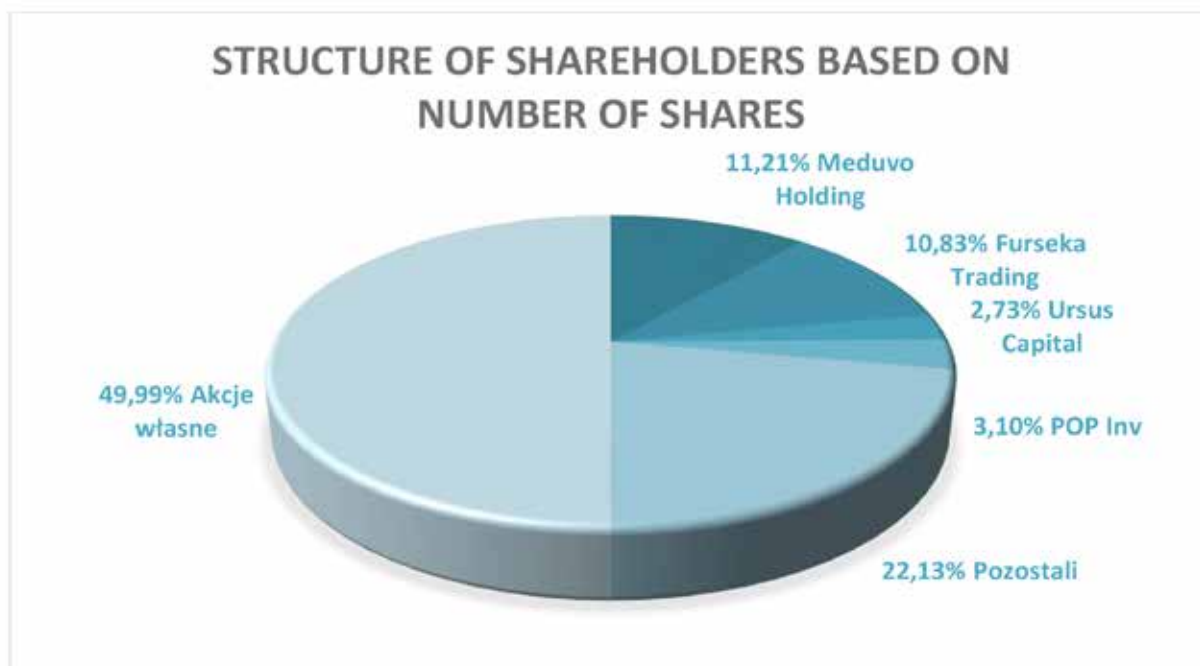
8. TRANSACTIONS WITH RELATED PARTIES CONCLUDED ON OTHER THAN MARKET CONDITIONS

In the first half of 2023, the Company did not conclude any transactions with related parties on terms other than the market.

9. THE MANAGEMENT BOARD'S POSITION ON PREVIOUSLY PUBLISHED FINANCIAL FORECASTS

The CPD has no published any forecasts of financial results.

10. SHAREHOLDERS ENTITLED TO AT LEAST 5% OF VOTES AT THE GENERAL MEETING OF SHAREHOLDERS



According to the Company's information at the end of reporting period, shareholders who own, either directly or indirectly through subsidiaries, at least 5% of the total votes at the General Meeting of Shareholders (number of shares on the basis of notices provided by shareholders pursuant to art. 69 of the Act on Public Offering or the information contained in the prospectus).

Shareholder	Number of held shares	Type of shares	Number of held votes	Shareholding structure by held votes	Shareholding structure by held shares
Meduvo Holding Ltd	1,005,027	bearer shares	1 005,027	22.42 %	11.21 %
Furseka Trading and Investments Ltd	971,313	bearer shares	971,313	21.67 %	10.83%
POP Investments Ltd	277,823	bearer shares	277,823	6.20 %	3.10 %
Ursus Capital Ltd	244,831	bearer shares	244,831	5.46 %	2.73%
Others	1,984,099	bearer shares	1,984,099	44.26 %	22.13 %
Own shares	4,483,092		0	0 %	49.99 %

Compared to the status presented in the report for the first half of 2023, published on September 28, 2023, the following changes occurred in the ownership structure of significant blocks of shares of the Company as of the date of publication of this report:

– On October 10, 2023 the Company announced that it had received notifications pursuant to Art. 69 of the Act on Public Offering and Conditions Governing the Introduction of Financial

Instruments to Organized Trading and Public Companies of July 29, 2005 from Mr. Colin Kingsnorth that his subsidiary: Ursus Capital Limited, a company established and operating in accordance with the law of Great Britain with its registered office in Newton Aycliffe, Durham („Controlled Entity”), on October 10, 2023 sold 244,831 shares of CPD S.A., i.e. all shares held, and thus reduced the total number of votes at the Company’s General Meeting from 2.73% to 0% in the total number of votes in the Company.

– On October 12, 2023 the Company informed that it had received notifications pursuant to Art. 69 of the Act on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies of July 29, 2005 from Mr. Andrew Pegge that his subsidiary: POP Investments Limited („POP”), established and operating in accordance with the law The Isle of Man, with its registered office at 1st Floor, 4 West Quay, Ramsey, Isle of Man, IM8 1DW, number 097139C („Controlled Entity”), on October 11, 2023 sold 277,083 shares of CPD S.A. i.e. all shares held and thus reduced the total number of votes at the General Meeting of the Company from 3.10% to 0% of the total number of votes in the Company.

– On October 12, 2023 the Company informed that it had received a notification pursuant to Art. 69 of the Act on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies of July 29, 2005 from Meduvo Holding Limited, established and operating in accordance with Cypriot law, with its registered office at 3 Thasous Street, Dadlow House, 1520 Nicosia announced that on October 9, 2023 it sold 1,005,027 CPD shares, i.e. all shares held, and thus reduced the total number of votes at the General Meeting of the Company from 10.83% to 0% of the total number of votes in the Company.

– On October 12, 2023 the Company informed that it had received a notification pursuant to Art. 69 of the Act on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies of July 29, 2005 from Securities Trust sp. z o.o., established and operating in accordance with Polish law, with its registered office in Warsaw 00-420, at 20 Szara Street „Notifying Party”, in which it informed that:

1) on October 9, 2023 – acquired in a transaction outside the regulated market 1,005,027 (in words: one million five thousand twenty-seven) shares, constituting 11.21% (in words: eleven percent 21/100) of the share capital, which authorize to exercise 1,005,027 (in words: one million five thousand twenty-seven) votes at the General Meeting, which constitutes 11.21% (in words: eleven percent 21/100) of the total number of votes at the General Meeting of CPD Spółka Akcyjna with its registered office in Warsaw, at the address: 10 Szara Street, 00-420 Warsaw, entered into the register of entrepreneurs of the National Court Register kept by the District Court for the capital city of Warsaw in Warsaw, 13th Commercial Division of the National Court Register under KRS number 0000277147, REGON number: 120423087, NIP: 6772286258, code LEI: 2594009QP38B3SQJ5505 with share capital of PLN 896,618.50, („Company”); thus, the Notifying Party exceeded the threshold of 10% of the total number of votes in the Company referred to in Art. 69 section 1 point 1) of the Act.

2) on October 10, 2023 – acquired in a transaction outside the regulated market 244,831 (in words: two hundred forty-four thousand eight hundred thirty-one) shares, constituting 2.73% (in words: two percent 73/100) of the share capital, which authorize to exercise 244,831 (in words: two hundred forty-four thousand eight hundred thirty-one) votes at the General Meeting, which constitutes 2.73% (in words: two percent 73/100) of the total number of votes at the General Meeting of the Company; thus, there was a change in the share held by the Notifying Party of over 10% of the total number of votes in the Company by over 2% of the total number of votes in the Company, referred to in Art. 69 section 2 point 1) letter a) of the Act.

3) on October 11, 2023 – acquired in transactions outside the regulated market 722,708 (in words: seven hundred and twenty-two thousand, seven hundred and eight) shares, constituting 8.06% (in

words: eight percent 06/100) of the share capital, which authorize to exercise 722,708 (in words: seven hundred twenty-two thousand seven hundred and eight) votes at the General Meeting, which constitutes 8.06% (in words: eight percent 06/100) of the total number of votes at the General Meeting of the Company; thus, the Notifying Party exceeded 20% of the total number of votes in the Company, referred to in Art. 69 section 1 point 1) of the Act, which at the same time constituted a change in the share held by the Notifying Party of over 10% of the total number of votes in the Company by over 2% of the total number of votes in the Company, referred to in Art. 69 section 2 point 1) letter a) of the Act.

4) on October 13, 2023 – acquired in a transaction outside the regulated market 971,313 (in words: nine hundred and seventy-one thousand three hundred and thirteen) shares, constituting 10.83% (in words: ten percent 83/100) of the share capital, which authorize to exercise 971,313 (in words: nine hundred and seventy-one thousand three hundred and thirteen) votes at the General Meeting, which constitutes 10.83% (in words: ten percent 83/100) of the total number of votes at the General Meeting of the Company; thus, the Notifying Party exceeded 25% of the total number of votes in the Company, referred to in Art. 69 section 1 point 1) of the Act, which at the same time constituted a change in the share held by the Notifying Party of over 10% of the total number of votes in the Company by over 2% of the total number of votes in the Company, referred to in Art. 69 section 2 point 1) letter a) of the Act.

5) on October 13, 2023 – sold in a transaction outside the regulated market 2,221,737 (in words: two million two hundred twenty-one thousand seven hundred thirty-seven) shares constituting 24.78% (in words: twenty-four percent 78/100) of the share capital which authorize to exercise 2,221,737 (in words: two million two hundred twenty-one thousand seven hundred thirty-seven) votes at the General Meeting, which constitutes 24.78% (in words: twenty-four percent 78/100) of the total number of votes at the General Meeting of the Company; thus, the Notifying Party reduced its share to 8.04% of the total number of votes in the Company, referred to in Art. 69 section 1 point 2 of the Act, which at the same time constituted a change in the share held by the Notifying Party of over 10% of the total number of votes in the Company by over 2% of the total number of votes in the Company, referred to in Art. 69 section 2 point 1) letter a) of the Act.

Pursuant to Art. 69 section 4 of the Act, the Notifying Party provided the following data regarding the above-mentioned. share purchase transaction on the date and type of events causing the change in the share to which the notification concerned:

- a) on October 9, 2023 – purchase of 1,005,027 (in words: one million five thousand twenty-seven) shares of the Company in a transaction outside the regulated market („**Transaction 1**”);
- b) on October 10, 2023 – purchase of 244,831 (two hundred forty-four thousand eight hundred thirty-one) shares of the Company in a transaction outside the regulated market („**Transaction 2**”);
- c) on October 11, 2023 – purchase of 722,708 (in words: seven hundred twenty-two thousand seven hundred eight) shares of the Company in transactions outside the regulated market („**Transaction 3**”);
- d) on October 13, 2023 – purchase of 971,313 (in words: nine hundred and seventy-one thousand three hundred and thirteen) shares of the Company in a transaction outside the regulated market („**Transaction 4**”);
- e) on October 13, 2023 – sale of 2,221,737 (in words: two million two hundred twenty-one thousand seven hundred thirty-seven) shares of the Company in a transaction outside the regulated market („**Transaction 5**”)

At the same time, the number of shares held before the change in share and their percentage share in the company's share capital as well as the number of votes from these shares and their percentage share in the total number of votes were as follows:

- before Transaction 1, the Notifying Party did not hold any shares of the Company.
- before Transaction 2, the Notifying Party held 1,005,027 (in words: one million five thousand twenty-seven) shares, constituting 11.21% (in words: eleven percent 21/100) of the share capital, which authorize to exercise 1,005,027 (in words: one million five thousand twenty-seven) votes at the General Meeting, which constitutes 11.21% (in words: eleven percent 21/100) of the total number of votes at the General Meeting of the Company.
- before Transaction 3, the Notifying Party held 1,249,858 (in words: one million two hundred forty-nine thousand eight hundred fifty-eight) shares of the Company, which constituted 13.94% (in words: thirteen percent 94/100) of the total number of shares in the Company's share capital and entitled to exercise 1,249,858 (in words: one million two hundred forty-nine thousand eight hundred fifty-eight) votes at the General Meeting of the Company, which constituted 13.94% (in words: thirteen percent 94/100) of the total number of votes at the General Meeting of the Company.
- before Transaction 4, the Notifying Party held 1,971,564 (in words: one million nine hundred and seventy-one thousand five hundred and sixty-four) shares of the Company, which constituted 21.99% (in words: twenty-one percent 99/100) of the total number of shares in the share capital of the Company and entitled to exercise 1,971,564 (in words: one million nine hundred and seventy-one thousand five hundred and sixty-four) votes at the General Meeting of the Company, which constituted 21.99% (in words: twenty-one percent 99/100) of the total number of votes at the General Meeting of the Company.
- before Transaction 5, the Notifying Party held 2,942,877 (in words: two million nine hundred forty-two thousand eight hundred and seventy-seven) shares of the Company, which constituted 32.82% (in words: thirty-two percent 82/100) of the total number of shares in the share capital of the Company and entitled to exercise 2,942,877 (in words: two million nine hundred forty-two thousand eight hundred and seventy-seven) votes at the General Meeting of the Company, which constituted 32.82% (in words: thirty-two percent 82/100) of the total number of votes at the General Meeting of the Company.

The number of shares and their percentage share in the company's share capital and the number of votes from these shares and their percentage share in the total number of votes:

- after Transaction 1, the Notifying Party held 1,005,027 (in words: one million five thousand twenty-seven) shares, constituting 11.21% (in words: eleven percent 21/100) of the share capital, which authorize to exercise 1,005,027 (in words: one million five thousand twenty-seven) votes at the General Meeting, which constitutes 11.21% (in words: eleven percent 21/100) of the total number of votes at the General Meeting of the Company.
- after Transaction 2, the Notifying Party held 1,249,858 (in words: one million two hundred forty-nine thousand eight hundred fifty-eight) shares of the Company, which constituted 13.94% (in words: thirteen percent 94/100) of the total number of shares in the Company's share capital and entitled to exercising 1,249,858 (in words: one million two hundred forty-nine thousand eight hundred fifty-eight) votes at the General Meeting of the Company, which constituted 13.94% (in words: thirteen percent 94/100) of the total number of votes at the General Meeting of the Company.
- after Transaction 3, the Notifying Party held 1,971,564 (in words: one million nine hundred and seventy-one thousand five hundred and sixty-four) shares of the Company, which constituted 21.99% (in words: twenty-one percent 99/100) of the total number of shares in the share capital of

the Company and entitled to exercise 1,971,564 (in words: one million nine hundred and seventy-one thousand five hundred and sixty-four) votes at the General Meeting of the Company, which constituted 21.99% (in words: twenty-one percent 99/100) of the total number of votes at the General Meeting of the Company.

– after Transaction 4, the Notifying Party held 2,942,877 (in words: two million nine hundred forty-two thousand eight hundred and seventy-seven) shares of the Company, which constituted 32.82% (in words: thirty-two percent 82/100) of the total number of shares in the share capital of the Company and entitled to exercise 2,942,877 (in words: two million nine hundred forty-two thousand eight hundred and seventy-seven) votes at the General Meeting of the Company, which constituted 32.82% (in words: thirty-two percent 82/100) of the total number of votes at the General Meeting of the Company.

– after Transaction 5, the Notifying Party currently holds 721,140 (in words: seven hundred and twenty-one thousand one hundred and forty) shares of the Company, constituting 8.04% (in words: eight percent 04/100) of the Company's share capital, which authorize to exercise 721,140 (in words: seven hundred and twenty-one thousand one hundred and forty) votes at the General Meeting of the Company, which constitutes 8.04% (in words: eight percent 04/100) of the total number of votes at the General Meeting of the Company.

– On October 12, 2023 the Company informed that it had received a notification pursuant to Art. 69a section 1 point 3 in connection with joke. 69 of the Act of July 29, 2005 on public offering and conditions for introducing financial instruments to organized trading and on public companies (consolidated text: Journal of Laws of 2022, item 2554, as amended) („Act”) from LSW Bieńkowski, Laskowski, Leśnodorski, Melzacki i Wspólnicy sp. k. based in Warsaw, at the following address: 10 Szara Street, 00-420 Warsaw, entered in the register of entrepreneurs of the National Court Register kept by the District Court for the capital city of Warsaw in Warsaw, 12th Commercial Division of the National Court Register under KRS number: 0000003782, NIP: 5212977156 („Notifying Party”), in which he notified about the indirect purchase of shares in transactions carried out through a subsidiary of the Notifying Party, i.e. Securities Trust sp. z o.o. with its registered office in Warsaw („Securities Trust”) on October 9–13, 2023:

– On August 25, 2023 the Company received notifications pursuant to Art. 69 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies of July 29, 2005. Mr. Colin Kingsnorth notified that his subsidiary: Ursus Capital Limited, a company established and operating in accordance with the laws of Great Britain with its registered office in Newton Aycliffe, Durham („Controlled Entity”), on August 23, 2023 as a result of the response to the call of CPD S.A., sold 78,299 shares of CPD S.A. and thus reduced the total number of votes at the General Meeting of the Company from 3.60% to 2.73% of the total number of votes in the Company.

1) on October 9, 2023 – acquired indirectly, through Securities Trust, in a transaction outside the regulated market, 1,005,027 (in words: one million five thousand twenty-seven) shares, constituting 11.21% (in words: eleven percent 21/100) of the capital company, which authorize to exercise 1,005,027 (in words: one million five thousand twenty-seven) votes at the General Meeting, which constitutes 11.21% (in words: eleven percent 21/100) of the total number of votes at the General Meeting of CPD Spółka Akcyjna based in Warsaw, at the following address: 10 Szara Street, 00-420 Warszawa, entered into the register of entrepreneurs of the National Court Register kept by the District Court for the capital city of Warsaw in Warsaw, 13th Commercial Division of the National Court Register under KRS number 0000277147, REGON number: 120423087, NIP: 6772286258, code LEI: 2594009QP38B3SQJ5505 with share capital of PLN 896,618.50, („Company”); thus indirectly exceeding the threshold of 10% of the total number of votes in the Company,

- 2) on October 10, 2023 – acquired indirectly, through Securities Trust, in a transaction outside the regulated market, 244,831 (in words: two hundred forty-four thousand eight hundred thirty-one) shares, constituting 2.73% (in words: two percent 73/100) of the share capital which authorize to exercise 244,831 (in words: two hundred forty-four thousand eight hundred thirty-one) votes at the General Meeting, which constitutes 2.73% (in words: two percent 73/100) of the total number of votes at the General Meeting of the Company, thus changing the indirectly held by the Notifying Party of more than 10% of the total number of votes in the Company by more than 2% of the total number of votes in the Company, referred to in Art. 69 section 2 point 1) letter a) of the Act.
- 3) on October 11, 2023 – acquired indirectly, through Securities Trust, in transactions outside the regulated market, 722,708 (in words: seven hundred twenty-two thousand seven hundred and eight) shares, constituting 8.06% (in words: eight percent 06/100) of the share capital, which authorize to exercise 722,708 (in words: seven hundred twenty-two thousand seven hundred and eight) votes at the General Meeting, which constitutes 8.06% (in words: eight percent 06/100) of the total number of votes at the General Meeting of the Company, thus indirectly exceeding 20% the total number of votes in the Company, referred to in Art. 69 section 1 point 1) of the Act, which at the same time constituted a change in the share held indirectly by the Notifying Party of over 10% of the total number of votes in the Company by over 2% of the total number of votes in the Company, referred to in Art. 69 section 2 point 1) letter a) of the Act.
- 4) on October 13, 2023 – acquired indirectly, through Securities Trust, in a transaction outside the regulated market, 971,313 (in words: nine hundred and seventy-one thousand three hundred and thirteen) shares, constituting 10.83% (in words: ten percent 83/100) of the share capital, which authorize to exercise 971,313 (in words: nine hundred and seventy-one thousand three hundred and thirteen) votes at the General Meeting, which constitutes 10.83% (in words: ten percent 83/100) of the total number of votes at the General Meeting of the Company, thus indirectly exceeding 25% of the total number of votes in the Company, referred to in Art. 69 section 1 point 1) of the Act, which at the same time constituted a change in the share held indirectly by the Notifying Party of over 10% of the total number of votes in the Company by over 2% of the total number of votes in the Company, referred to in Art. 69 section 2 point 1) letter a) of the Act.
- 5) on October 13, 2023 – sold indirectly, through Securities Trust, in a transaction outside the regulated market, 2,221,737 (in words: two million two hundred and twenty-one thousand seven hundred and thirty-seven) shares constituting 24.78% (in words: twenty-four percent 78/ 100) share capital, which entitles to exercise 2,221,737 (in words: two million two hundred twenty-one thousand seven hundred and thirty-seven) votes at the General Meeting, which constitutes 24.78% (in words: twenty-four percent 78/100) of the total number of votes at the General Meeting of the Company; thus, an indirect reduction of the share to 8.04% of the total number of votes in the Company, referred to in Art. 69 section 1 point 2 of the Act, which at the same time constituted a change in the share held indirectly by the Notifying Party of over 10% of the total number of votes in the Company by over 2% of the total number of votes in the Company, referred to in Art. 69 section 2 point 1) letter a) of the Act.

Pursuant to Art. 69 section 4 in connection with Art. 69a section 1 of the Act, the Notifier provides the following data regarding the above-mentioned indirect share purchase transactions:

- a) on October 9, 2023 – purchased indirectly through the Securities Trust 1,005,027 (in words: one million five thousand twenty-seven) shares of the Company in a transaction outside the regulated market („**Transaction 1**”);
- b) on October 10, 2023 – purchased indirectly through the Securities Trust 244,831 (two hundred forty-four thousand eight hundred thirty-one) shares of the Company in a transaction outside the regulated market („**Transaction 2**”);

- c) on October 11, 2023 – purchased indirectly through the Securities Trust 722,708 (in words: seven hundred twenty-two thousand seven hundred eight) shares of the Company in transactions outside the regulated market („**Transaction 3**”);
- d) on October 13, 2023 – purchased indirectly through the Securities Trust 971,313 (in words: nine hundred and seventy-one thousand three hundred and thirteen) shares of the Company in a transaction outside the regulated market („**Transaction 4**”);
- e) on October 13, 2023 – sold indirectly through the Securities Trust 2,221,737 (in words: two million two hundred twenty-one thousand seven hundred thirty-seven) shares of the Company in a transaction outside the regulated market („**Transaction 5**”)

At the same time, the number of shares held before the change in share and their percentage share in the company's share capital as well as the number of votes from these shares and their percentage share in the total number of votes:

- before Transaction 1, the Notifying Party did not hold any shares of the Company, directly or indirectly.

- before Transaction 2, the Notifying Party indirectly through the Securities Trust held 1,005,027 (in words: one million five thousand twenty-seven) shares, constituting 11.21% (in words: eleven percent 21/100) of the share capital, which authorize to exercise 1,005,027 (in words: one million five thousand twenty-seven) votes at the General Meeting, which constitutes 11.21% (in words: eleven percent 21/100) of the total number of votes at the General Meeting of the Company.

- before Transaction 3, the Notifying Party indirectly through the Securities Trust held 1,249,858 (in words: one million two hundred forty-nine thousand eight hundred fifty-eight shares of the Company, which constituted 13.94% (in words: thirteen percent 94/100) of the total number of shares in the capital share capital of the Company and entitled to exercise 1,249,858 (in words: one million two hundred forty-nine thousand eight hundred fifty-eight) votes at the General Meeting of the Company, which constituted 13.94% (in words: thirteen percent 94/100) of the total number of votes at the General Meeting of the Company.

- before Transaction 4, the Notifying Party indirectly, through the Securities Trust, held 1,971,564 (in words: one million nine hundred and seventy-one thousand five hundred and sixty-four) shares of the Company, which constituted 21.99% (in words: twenty-one percent 99/100) of the total number of shares in share capital of the Company and entitled to exercise 1,971,564 (in words: one million nine hundred and seventy-one thousand five hundred and sixty-four) votes at the General Meeting of the Company, which constituted 21.99% (in words: twenty-one percent 99/100) of the total number of votes at the General Meeting Company Meeting.

- before Transaction 5, the Notifying Party indirectly, through the Securities Trust, held 2,942,877 (in words: two million nine hundred forty-two thousand eight hundred and seventy-seven) shares of the Company, which constituted 32.82% (in words: thirty-two percent 82/100) of the total number of shares in share capital of the Company and entitled to exercise 2,942,877 (in words: two million nine hundred forty-two thousand eight hundred and seventy-seven) votes at the General Meeting of the Company, which constituted 32.82% (in words: thirty-two percent 82/100) of the total number of votes at the General Meeting Company Meeting.

The number of shares currently held and their percentage share in the company's share capital as well as the number of votes from these shares and their percentage share in the total number of votes:

- after Transaction 1, the Notifying Party indirectly through Securities Trust held 1,005,027 (in words: one million five thousand twenty-seven) shares, constituting 11.21% (in words: eleven percent 21/100) of the share capital, which authorize to exercise 1,005,027 (in words: one million five thousand

twenty-seven) votes at the General Meeting, which constitutes 11.21% (in words: eleven percent 21/100) of the total number of votes at the General Meeting of the Company.

– after Transaction 2, the Notifying Party indirectly, through the Securities Trust, held 1,249,858 (in words: one million two hundred forty-nine thousand eight hundred fifty-eight shares of the Company, which constituted 13.94% (in words: thirteen percent 94/100) of the total number of shares in the share capital Companies and entitled to exercise 1,249,858 (in words: one million two hundred forty-nine thousand eight hundred fifty-eight) votes at the General Meeting of the Company, which constituted 13.94% (in words: thirteen percent 94/100) of the total number of votes at the General Meeting of the Company.

– after Transaction 3, the Notifying Party indirectly, through the Securities Trust, held 1,971,564 (in words: one million nine hundred and seventy-one thousand five hundred and sixty-four) shares of the Company, which constituted 21.99% (in words: twenty-one percent 99/100) of the total number of shares in share capital of the Company and entitled to exercise 1,971,564 (in words: one million nine hundred and seventy-one thousand five hundred and sixty-four) votes at the General Meeting of the Company, which constituted 21.99% (in words: twenty-one percent 99/100) of the total number of votes at the General Meeting Company Meeting.

– after Transaction 4, the Notifying Party indirectly, through the Securities Trust, held 2,942,877 (in words: two million nine hundred forty-two thousand eight hundred and seventy-seven) shares of the Company, which constituted 32.82% (in words: thirty-two percent 82/100) of the total number of shares in share capital of the Company and entitled to exercise 2,942,877 (in words: two million nine hundred forty-two thousand eight hundred and seventy-seven) votes at the General Meeting of the Company, which constituted 32.82% (in words: thirty-two percent 82/100) of the total number of votes at the General Meeting Company Meeting.

– after Transaction 5, the Notifying Party, indirectly through the Securities Trust of which it is the sole shareholder, currently holds 721,140 (in words: seven hundred twenty-one thousand one hundred forty) shares of the Company, constituting 8.04% (in words: eight percent 04/100) of the Company's share capital, which authorize to exercise 721,140 (in words: seven hundred twenty-one thousand one hundred forty) votes at the General Meeting of the Company, which constitutes 8.04% (in words: eight percent 04/100) of the total number of votes at the General Meeting of the Company.

Apart from the Securities Trust, there are no subsidiaries of the Notifying Party that would hold shares in the Company and there are no persons referred to in Art. 87 section 1 point 3) letter c of the Act,

The Notifying Party is not entitled to votes from the Company's shares which the Notifying Party is entitled or obliged to purchase as a holder of financial instruments referred to in Art. 69b section 1 point 1 of the Act and the financial instruments referred to in Art. 69b section 1 point 2 of the Act, which are not performed solely by monetary settlement, The notifying party is not entitled to votes from the Company's shares to which the financial instruments referred to in Art. refer directly or indirectly. 69b section 1 point 2 of the Act,

Due to the fact that the Notifying Party does not have the financial instruments referred to in Art. 69b section 1 point 1) and 2) of the Act, the total number of votes in the Company and the total percentage share in the total number of votes in the Company, referred to in Art. 69 section 4 point 9) of the Act held indirectly by the Notifying Party amounts to 721,140 (in words: seven hundred twenty-one thousand one hundred forty) shares of the Company, constituting 8.04% (in words: eight percent 04/100) of the Company's share capital, which constitutes 8.04% (in words : eight percent 04/100) in the total number of votes at the General Meeting of the Company.

– On October 12, 2023, the Company informed that it had received a notification pursuant to Art. 69 of the Act on public offering and conditions for introducing financial instruments to organized trading

and on public companies of July 29, 2005 from Euvic S.A., established and operating in accordance with Polish law, with its registered office in Gliwice 44-100, 32 Przewozowa Street, which announced that on October 13, 2023, it purchased 2,221,737 shares of CPD and thus has the total number of votes at the General Meeting of the Company, 24.69% of the total number of votes in the Company.

– The Company had received a notification pursuant to Art. 69 of the Act on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies of July 29, 2005 from Furseca Trading and Investments Holding Limited, established and operating in accordance with Cypriot law, with its registered office at 3 Thasous Street, Dadlow House, 1520 Nicosia, informed that on October 13, 2023, it sold 971,313 CPD shares, i.e. all shares held, and thus reduced the total number of votes at the General Meeting of the Company from 10.83% to 0% of the total number of votes at Company.

11. COMPANY SHARES HELD BY MANAGING AND SUPERVISING PARTIES

The table below presents the Company's shares held by Management Board members as at the date of this report according to the Company's information:

Name	Function	No. of owned shares	Nominal value of shares (PLN)	% of total no. of shares	% of total no. of votes
Elżbieta Wiczowska	Member	6,656	665.60	0.07%	0.15%
Iwona Makarewicz	Member	1,084	108.40	0.02%	0.12%
TOTAL		5,640	564.0	0.06%	0.12%

The Company does not hold any other information regarding the fact of holding shares in the Company by other persons being members of the management or supervisory bodies.

12. IMPORTANT COURT, ADMINISTRATIVE AND ARBITRATION PROCEEDINGS

As at the date of publication of the Report, no court, administrative or arbitration proceedings are pending against the Company.

13. LOAN GUARANTEES

As at the balance sheet date, the Company had no liabilities under sureties and guarantees.

14. THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

As at September 30, 2023 the Company's Management Board consisted of the following people:

- Mr. Colin Kingsnorth – President of the Management Board
- Ms. Iwona Makarewicz – Member of the Management Board
- Ms. Elżbieta Wiczowska – Member of the Management Board.

Mr. Colin Kingsnorth, previously the Chairman of the Company's Management Board, resigned from his position on October 10, 2023. Mr. Colin Kingsnorth did not give reasons for his resignation.

As at the date of publication of the report, the Supervisory Board has not elected the President of the Company's Management Board.

At September 30, 2023 the composition of the Supervisory Board of the Company was as follows:

- Mr. Andrew Pegge – President of Supervisory Board
- Mr. Wiesław Oleś – Secretary of Supervisory Board
- Mr. Mirosław Gronicki – Supervisory Board Member
- Mr. Emil Tomaszewski – Supervisory Board Member
- Mr. Krzysztof Zawadzki – Supervisory Board Member

On November 13, 2023, Mr. Andrew Pegge resigned from his position as Member and Chairman of the Supervisory Board of the Company. Mr. Andrew Pegge did not provide reasons for his resignation.

Mr. Wiesław Oleś, previously a Member of the Company's Supervisory Board, resigned from his position on October 13, 2023. Mr. Wiesław Oleś did not provide reasons for his resignation.

Mr. Mirosław Gronicki, who previously served as a Member of the Company's Supervisory Board and Chairman of the Company's Audit Committee, resigned from his functions on October 14, 2023.

The Extraordinary General Meeting of Shareholders of the Company, held on November 15, 2023, appointed Mr. Adam Proń, Mr. Wojciech Włodarczyk and Mr. Tobiasz Wybraniec to serve as Members of the Company's Supervisory Board.

As at the date of publication of the report, the Company's Supervisory Board consisted of the following persons:

- Mr. Adam Proń – Member of the Supervisory Board
- Mr. Emil Tomaszewski – Member of the Supervisory Board
- Mr. Wojciech Włodarczyk – Member of the Supervisory Board
- Mr. Tobiasz Wybraniec – Member of the Supervisory Board
- Mr. Krzysztof Zawadzki – Member of the Supervisory Board

As at the date of publication of the report, the Supervisory Board has not elected the Chairman of the Company's Supervisory Board.

At September 30, 2023 the composition of the Audit Committee of the Company was as follows:

- Mr. Mirosław Gronicki – Chairman of the Audit Committee
- Mr. Andrew Pegge – Member of the Audit Committee.
- Krzysztof Zawadzki – Member of the Audit Committee

Due to the resignation of Mr. Mirosław Gronicki from his position as Member of the Supervisory Board and Chairman of the Audit Committee and the resignation of Mr. Andrew Pegge from his position as Member and Chairman of the Supervisory Board of the Company and Member of the Audit Committee, the composition of the Company's Audit Committee as at the date of publication of the report is as follows:

- Vacat – Chairman of the Audit Committee
- Vacat – Member of the Audit Committee.
- Krzysztof Zawadzki – Member of the Audit Committee.

As at the date of publication of the report, the Company's Supervisory Board had not supplemented the composition of the Company's Audit Committee.

15. OTHER IMPORTANT INFORMATION

Nothing other than the information provided above.

16. FACTORS AFFECTING RESULTS OF THE FOLLOWING QUARTERS

The most important factors that will influence the results of the following quarters are:

- An increase in inflation above the level of the medium-term inflation target of the Monetary Policy Council from the „Monetary Policy Assumptions for 2023”, which aimed to set inflation at 2.5% with a deviation range of ± 1 percentage point,
- The state of global financial markets and their impact on the Polish economy and the national banking system,
- Macro- and microeconomic situation in Poland
- Credit policy of banks and financial institutions (loans, bonds),
- Changes in legal and tax regulations that may uncontrollably affect demand and supply,
- Maintaining a stable political situation and creating a positive economic climate by the government and local authorities,
- The economic situation, which affects the systematic receipt of income from the rental of office space,
- Sales and general management costs,
- Quarterly update of the fair value of assets held by the Group,
- Observed price increase,
- Risk related to the ongoing war in Ukraine.

II. INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE PERIOD OF 9 MONTHS ENDED SEPTEMBER 30, 2023 ALONG WITH CONDENSED FINANCIAL STATEMENTS OF CPD S.A.

CPD S.A.

Condensed interim financial statements

for the period of 9 months ended 30 September 2023

prepared in accordance with the International Financial Reporting Standards
approved by the European Union concerning the interim reporting

(unaudited financial data, not subject to review by an auditor)

	Page
Condensed statement of comprehensive income	31
Condensed statement of financial position	32
Condensed statement of changes in equity	33
Condensed statement of cash flows	34
Notes to the interim condensed financial statements	35
1 General information	35
2 The accounting principles	35
2.1. Basis of preparation	36
2.2. Significant changes in estimated values	37
3 Managing financial risk	38
4 Shares in subsidiaries and jointly controlled entities	39
5 Long-term receivables	39
6 Trade receivables and other receivables	40
7 Share capital	41
8 Borrowings	41
9 Earnings per share	42
10 Administrative costs	42
11 Financial income and expenses and fair value adjustment on loans granted	42
12 Cash flow from operating activities	43
13 Related party transactions	43
14 Seasonality and one-off events	45
15 Events after the balance sheet date	45

Condensed statement of comprehensive income

	Note	1/1/2023 - 30/9/2023	1/7/2022 - 30/9/2022	1/7/2023- 30/9/2023	1/7/2022- 30/9/2022
		<i>(not reviewed by an auditor)</i>			
Revenues		45	18	33	6
Administrative costs	10	(6 244)	(2 503)	(1 214)	(899)
Marketing costs		(34)	(20)	(13)	(20)
Fair value adjustment on loans granted	11	24 044	(27 162)	(858)	(4 317)
Other operating income		2	10	2	10
Other operating expenses		0	0	0	0
OPERATING RESULT		17 813	(29 657)	(2 050)	(5 220)
Financial income	11	601	12 635	92	413
Financial costs	11	(3 339)	(1 580)	(386)	(274)
PROFIT (LOSS) BEFORE INCOME TAX		15 075	(18 602)	(2 344)	(5 081)
Income tax		6 237	(985)	0	(249)
PROFIT (LOSS) FOR THE PERIOD		21 312	(19 587)	(2 344)	(5 330)
OTHER COMPREHENSIVE INCOME		0	0	0	0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		21 312	(19 587)	(2 344)	(5 330)
BASIC EARNINGS PER SHARE (IN PLN)	9	3,52	(2,28)	(0,45)	(0,68)
DILUTED EARNINGS PER SHARE (IN PLN)	9	3,52	(2,28)	(0,45)	(0,68)

Iwona Makarewicz
Board Member

Elżbieta Donata Wiczowska
Board Member

Condensed statement of financial position

	Note	30/9/2023	31/12/2022
		<i>(not reviewed by an auditor)</i>	
ASSETS			
Non-current assets			
Long-term receivables	5	0	38 055
Shares in subsidiaries	4	0	3 751
Total non-current assets		0	41 806
Current assets			
Trade receivables and other receivables, including:	6	53	318
- receivables and loans		16	273
- prepayments		37	45
Income tax receivables		1	0
Cash and cash equivalents		483	24 371
Total current assets		537	24 689
Total assets		537	66 495
EQUITY			
Share capital	7	897	897
Treasury shares		(128 103)	(50 010)
Share premium		389 802	389 802
Embedded element at inception date		(27 909)	(27 909)
Other reserves		987	987
Retained earnings		(235 279)	(256 591)
Total equity		395	57 176
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities		0	6 237
Total non-current liabilities		0	6 237
Current liabilities			
Borrowings	8	0	2 831
Trade payables and other payables		142	251
Total current liabilities		142	3 082
Total equity and liabilities		537	66 495

Iwona Makarewicz
Chairman of the Board

Elzbieta Donata Wiczowska
Board Member

Condensed statement of changes in equity

	Note	Share capital	Treasury shares	Share premium	Embedded element at inception date	Other reserves	Retained earnings	Total
As of 1/1/2022		2 637	(288 972)	677 034	(27 909)	987	(233 509)	130 268
Treasury shares redemption		(1 740)	288 972	(287 232)	0	0	0	0
Treasury shares acquisition		0	(50 010)	0	0	0	0	(50 010)
		(1 740)	238 962	(287 232)	0	0	0	(50 010)
Comprehensive income:								
Profit (loss) for the period		0	0	0	0	0	(19 587)	(19 587)
		0	0	0	0	0	(19 587)	(19 587)
As of 30/09/2022		897	(50 010)	389 802	(27 909)	987	(253 096)	60 671
As of 1/1/2022		2 637	(288 972)	677 034	(27 909)	987	(233 509)	130 268
Treasury shares acquisition		0	(50 010)	0	0	0	0	(50 010)
Treasury shares redemption		(1 740)	288 972	(287 232)	0	0	0	0
		(1 740)	238 962	(287 232)	0	0	0	(50 010)
Comprehensive income:								
Profit (loss) for the period		0	0	0	0	0	(23 082)	(23 082)
		0	0	0	0	0	(23 082)	(23 082)
As of 31/12/2022		897	(50 010)	389 802	(27 909)	987	(256 591)	57 176
As of 1/1/2023		897	(50 010)	389 802	(27 909)	987	(256 591)	57 176
Treasury shares acquisition	7	0	(78 093)	0	0	0	0	(78 093)
		0	(78 093)	0	0	0	0	(78 093)
Comprehensive income:								
Profit (loss) for the period		0	0	0	0	0	21 312	21 312
		0	0	0	0	0	21 312	21 312
As of 30/09/2023		897	(128 103)	389 802	(27 909)	987	(235 279)	395

Iwona Makarewicz
Chairman of the Board

Elżbieta Donata Wiczowska
Board Member

Condensed statement of cash flows

	Note	1/1/2023 - 30/9/2023	1/1/2022 - 30/9/2022	1/7/2023- 30/9/2023	1/7/2022- 30/9/2022
<i>(not reviewed by an auditor)</i>					
Cash flow from operating activities					
Cash generated from operations	12	(5 696)	9 614	(1 036)	5 393
Income tax paid		(1)	195	0	195
Net cash generated from investing activities		(5 697)	9 809	(1 036)	5 588
Cash flows from investing activities					
Investments in a subsidiary	4	(1 027)	(524)	(850)	(124)
Return of contribution from a jointly controlled entity	4	0	14 938	0	0
Income from sale of shares in subsidiaries	4	2 762	0	484	0
Loans granted		(1 548)	(18 351)	(1 074)	(18 146)
Return of loans granted		54 782	7 426	12 252	934
Interest received		7 782	1 471	37	696
Net cash generated from investing activities		62 751	4 960	10 849	(16 640)
Cash flows from financing activities					
Treasury shares acquisition	7	(78 093)	(50 010)	(32 180)	(50 010)
Loans repaid	8	(1 668)	(3 774)	0	0
Interest repaid	8	(1 181)	(2 630)	0	0
Net cash generated from financing activities		(80 942)	(56 414)	(32 180)	(50 010)
Net (decrease)/increase in cash and cash equivalents		(23 888)	(41 645)	(22 367)	(61 062)
Cash and cash equivalents at beginning of year		24 371	64 384	22 850	83 801
Cash and cash equivalents at the end of the period		483	22 739	483	22 739

Iwona Makarewicz
Chairman of the Board

Elżbieta Donata Wiczowska
Board Member

(All amounts in PLN thousands unless otherwise stated)

Notes to the interim condensed financial statements

1 General information

CPD S.A. ("Company", "CPD") with its registered office in Warsaw (00-420), 10 Szara St., was established by the Articles of Association dated 23 February 2007 (under the name Celtic Development Corporation S.A., then on 22/02/2008 the Company changed its name to Poen S.A.) and was registered in the Register of Entrepreneurs of the National Court Register kept by the District Court for Krakow - Śródmieście in Krakow, XI Economic Department of the National Court Register on 23 March 2007 under the KRS number 0000277147.

On 2 September 2010 The Extraordinary General Meeting of Shareholders passed a resolution to change the name of Poen S.A. to Celtic Property Developments S.A.

On 29 May 2014, the Extraordinary General Meeting of Shareholders passed a resolution to change the name of Celtic Property Developments S.A. to CPD S.A.. The name change was registered in the National Court Register on 17 September 2014.

The currency of the presentation of these financial statements as well as functional currency is Polish Zloty.

Information about the Capital Group:

In 2023, the Company disposed of its interests in all subsidiaries and jointly controlled entities, and as a result, ceased preparing consolidated financial statements beginning with the quarterly report for the nine-month period ended on 30 September 2023.

As of the date of these financial statements, the composition of the management and supervisory bodies of CPD S.A. is as follows:

Board of Directors:

Elżbieta Donata Wiczowska - Board Member

Iwona Makarewicz - Board Member

During 2023, Mr. John Purcell and Mr. Colin Kingsnorth resigned from their positions on the Company's Board of Directors.

Supervisory board:

Adam Proń

Wojciech Włodarczyk

Tobiasz Wybraniec

Emil Tomaszewski

Krzysztof Zawadzki

During 2023 Mr. Andrew Pegge, Mr. Mirosław Gronicki, Mr. Wiesław Oleś and Mr. Krzysztof Laskowski resigned from the Supervisory Board.

2 The accounting principles

The accounting principles in these interim financial statements are consistent with those applied in the annual financial statements for the year ended 31 December 2022, except for the application of the following new or revised standards and interpretations applicable for annual periods beginning on or after 1 January 2023.

The interim condensed financial statements as of 30 September 2023 have been prepared on a going concern basis for the foreseeable future.

Notes to the interim condensed financial statements**2.1 Basis of preparation**

These interim condensed financial statements of the CPD group were prepared in accordance with international accounting standard approved by the EU-IAS 34 Interim financial reporting and in accordance with all applicable the application of IFRS adopted by the European Union.

The following new standards, interpretations and amendments which came into force in 2023 and description of the impact of applying the amendments:

IFRS 17 Insurance Contracts, issued by the International Accounting Standards Board on 18 May 2017, is effective for annual periods beginning on or after 1 January 2023. The standard is to replace the current insurance regulations (IFRS 4).

Amendments to IAS 8 Definition of Accounting Estimates - issued on 12 February 2021 and effective for annual periods beginning on or after 1 January 2023.

Amendments to IAS 1 Presentation of Financial Statements - issued on 12 February 2021 and effective for annual periods beginning on or after 1 January 2023.

Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction - issued on 7 May 2021 and effective for annual periods beginning on or after 1 January 2023.

The aforementioned standards and their amendments do not apply to the Company's operations or affect the Company's operations in limited way, therefore their application did not have a material impact on the Company's financial statements.

New standards and interpretations that have been published but have not yet come into effect:

In these financial statements, the Company has not decided to early apply the following published standards, interpretations or amendments to existing standards prior to their effective date:

Amendments to IAS 1 "Classification of liabilities as current or non-current" - published on 23 January 2020 and applies to annual periods beginning on or after 1 January 2024.

Amendments to IFRS 16 "Lease Commitment on Sale and Leaseback" - published 22 September 2022 and is effective for periods beginning on or after 1 January 2024.

The aforementioned standards and their amendments do not apply to the Company's operations or are of little concern to the Company, therefore the Management expects that their application will not have a material impact on the Company's financial statements.

Notes to the interim condensed financial statements**2.2 Significant changes in estimated values**

In preparing these condensed financial statements, management has evaluated important accounting estimates and judgments that affect the accounting principles used and the amounts recognized in the financial statements prepared for the nine months ended 30 September 2023.

Valid estimates and judgments are derived from past experience and other factors, including predictions of future events that seem reasonable in a given situation. The resulting accounting estimates, by definition, have inherent risks.

The accounting estimates and judgments used in preparing these condensed financial statements have not changed and are the same as those used in preparing the statements for the year ended 31 December 2022.

Estimates and assumptions that carry a significant risk of requiring a material adjustment to the carrying value of assets and liabilities during the next fiscal year are discussed below.

Balance sheet valuation of shares in subsidiaries and loans to subsidiaries:

The Company conducted, at each balance sheet date, an analysis of the indications of impairment of shares in subsidiaries by comparing the book value of the shares to their recoverable amount. In 2023, the Company disposed its interests in all subsidiaries and jointly controlled entities, and accordingly, all investments in these entities were derecognized along with the impairment losses historically recognized for them.

Balance sheet valuation of loans granted:

At each balance sheet date, the Company valued loans receivable from its subsidiaries based on the fair value model. The Company presents the cumulative effect of accrued interest on loans granted and the effect of fair value measurement of loans in one line of the statement of comprehensive income as the result of revaluation of loans to fair value. As of 30 September 2023, all loans granted to related parties have been repaid, or assigned under an assignment of receivables agreement entered into on 29 September 2023 with Securities Trust Sp z o.o..

Tax settlements/deferred taxes:

CPD SA is a taxpayer of income tax in Poland. CPD S.A. recognizes liabilities for anticipated tax issues based on an estimate of whether additional tax will be required. If final tax settlements differ from the amounts initially recognized, the differences that occur affect current and deferred tax assets and liabilities in the period in which the final tax amount is determined.

Deferred tax assets are recognized only if it is probable that future taxable income will be generated to utilize temporary differences or tax losses.

In addition, in light of the applicable provisions of the General Anti-Abuse Clause ("GAAR"), which is intended to prevent the creation and use of artificial legal structures created to avoid paying tax in Poland, the Board of Directors performed a comprehensive analysis of the Company's tax position in identifying and evaluating transactions and operations that could potentially be covered by the provisions of the GAAR and considered the impact on these financial statements. In Management's opinion, these risks have been properly accounted for in these financial statements; however, there is an inherent uncertainty in the Company's interpretation of the tax law, which may affect the realizability of deferred tax assets in future periods and the payment of additional tax for past periods.

Notes to the interim condensed financial statements**3 Financial risk management****Financial risk factors**

CPD's operations expose it to various financial risks: market risk (including: the risk of changes in exchange rates or cash flows due to changes in interest rates), credit risk and liquidity risk. Financial risks are related to the following financial instruments: loans received and granted, trade receivables, other receivables, cash and cash equivalents, trade payables and other liabilities. Accounting policies relating to the above financial instruments are described in the Company's annual financial statements.

Due to the reduction of the investment portfolio, the Company's exposure to all types of risks decreased.

In 2023, the Company's cash level declined. Previously accumulated financial resources, together with proceeds from the sale of investments in subsidiaries and repayments of loans receivable, were used to acquire treasury shares and reduce the level of operating liabilities.

Notes to the interim condensed financial statements**4 Shares in subsidiaries and jointly controlled entities**

	30/9/2023	31/12/2022
Name		
Celtic Investments Ltd		48 000
Impairment		(48 000)
Lakia Enterprises Ltd		105 524
Impairment		(105 524)
Celtic Asset Management		0
Challenge Eighteen sp. z o.o.		5 032
Impairment		(2 237)
Antigo Investments		16 614
Impairment		(15 659)
Ursa Sky Smart City		1
Ursus Development Sp. z o.o. w likwidacji		5
Impairment		(5)
	0	3 751

During 2023, the Company sold all of its shares in subsidiaries and jointly controlled entities:

On 31 January 2023, CPD S.A. entered into an agreement with Securities Trust Sp. z o.o. for the sale of 100% of shares in the share capital of the subsidiary Challenge Eighteen Sp. z o.o. in liquidation, in exchange for a sale price equal to PLN 50 thousand plus the value of funds that will remain in the company after the liquidation process is completed.

On 1 February 2023, CPD S.A. entered into an agreement with Securities Trust Sp. z o.o. for the sale of 100% of shares in the share capital of its subsidiary Ursus Development Sp. z o.o. in liquidation in exchange for a sale price equal to PLN 1 thousand.

On 17 March 2023, CPD S.A. entered into an agreement with Securities Trust Sp. z o.o. for the sale of 100% of the shares in the share capital of its subsidiary Celtic Investment Limited in exchange for a sale price equal to EUR 1 thousand.

On 29 September 2023, CPD S.A. entered into an agreement with Securities Trust Sp. z o.o. for the sale of 100% of shares in the share capital of subsidiary Antigo Investments Sp. z o.o. in exchange for a sale price equal to PLN 2 thousand.

On 29 September 2023, CPD S.A. entered into an agreement with Securities Trust Sp. z o.o. for the sale of 100% of shares in the share capital of Ursa Sky Smart City, a jointly owned subsidiary, in exchange for a sale price equal to PLN 1 thousand.

On 29 September 2023, CPD S.A. entered into an agreement with Securities Trust Sp. z o.o. for the sale of 100% of shares in the share capital of subsidiary Lakia Enterprises Ltd in exchange for a sale price equal to PLN 1 thousand.

On 29 September 2023, CPD S.A. entered into an agreement with Securities Trust Sp. z o.o. for the sale of 100% of the shares in its subsidiary Celtic Asset Management Sp. z o.o. in exchange for a sale price equal to PLN 400 thousand.

5 Long-term receivables

	30/9/2023	31/12/2022
Long-term loans with related parties, including:		
- loans		100 231
- fair value adjustment		(62 176)
	0	38 055

As of September 30, 2023, all loans granted to related parties have been repaid or assigned under a debt assignment agreement entered into on 29 September 2023 with Securities Trust Sp. z o.o..

Notes to the interim condensed financial statements**5 Long-term receivables - continued****Details on the loans granted to related parties as of 31.12.2022**

Related party	Date of agreement	Currency of the loan	Fair value of granted loans	Interest Rate	Margin	Maturity
Lakia Investments	2022	PLN	13 796	3M WIBOR	2,00%	on demand, not later than 04.08.2027
Belise Investments	2012	PLN	10 032	3M WIBOR	1,55%	on demand, not later than 01.05.2027
Belise Investments	2014	PLN	11 117	3M WIBOR	1,55%	on demand, not later than 24.09.2024
Elara Investments	2012	PLN	146	3M WIBOR	1,55%	on demand, not later than 01.05.2027
Elara Investments	2013	PLN	1 221	3M WIBOR	1,55%	on demand, not later than 24.01.2028
Celtic Asset Management	2015	PLN	484	3M WIBOR	1,55%	on demand, not later than 12.12.2025
HUB Developments	2012	PLN	944	3M WIBOR	1,55%	on demand, not later than 01.05.2027
Lakia Enterprises Limited	2015	PLN	312	3M WIBOR	1,55%	on demand
			38 055			

6 Trade receivables and other receivables

	30/9/2023	31/12/2022
Short-term loans with related parties, including:	0	234
- loans	0	26 177
- fair value adjustment	0	(25 942)
Other tax receivables	12	0
Other receivables from related parties	0	11
Other receivables from other parties	4	28
Prepayments	37	45
Short-term receivables	53	318

Details on the loans granted to related parties as of 31.12.2022

Related party	Date of agreement	Currency of the loan	Fair value of granted loans	Interest Rate	Margin	Maturity
Gaston Investments	2013	PLN	234	3M WIBOR	1,55%	on demand, not later than 01.10.2023
			234			

Notes to the interim condensed financial statements**7 Share capital**

	The number of shares (in thousands), including treasury shares		Value of shares	
	30/9/2023	31/12/2022	30/9/2023	31/12/2022
Ordinary shares (AA series)	8 966	8 966	897	897

Share capital as of 31 December 2022 and as of 30 September 2023 amounted to PLN 897 thousand.

On 24 March 2023, the Company's shares were repurchased. The acquisition of treasury shares took place over-the-counter, through the National Securities Depository. The Company acquired 1,535,558 (one million five hundred and thirty-five thousand five hundred and fifty-eight) ordinary shares, with a nominal value of PLN 0.10 (ten cents) each.

The treasury shares were purchased at a uniform price of PLN 29.90 (twenty-nine zlotys 90/100) per one share and for a total price of PLN 45,913,184.20 (forty-five million nine hundred and thirteen thousand one hundred and eighty-four zlotys 20/100). The total nominal value of the acquired shares amounts to PLN 153,555.80 (one hundred and fifty-three thousand five hundred and fifty-five zlotys 80/100 cents).

Acquired treasury shares represent 17.13% of the Company's share capital and 21.05% of the total number of votes at the Company's general meeting (prior to the buyback, the Company already held 1,672,591 treasury shares).

On 23 August 2023, another buyback of the Company's own shares took place. In execution of the buyback, the Company acquired 1,274,092 (in words: one million four hundred and two hundred and seventy-four) own shares, ordinary bearer, with a nominal value of PLN 0.10 (ten cents) each.

The Treasury Shares were purchased at a uniform price of PLN 25.24 per share and for a total price of PLN 32,179,561.32 (thirty-two milliard one hundred and seventy-nine thousand five hundred and sixty-one zlotys and 32/100 cents). The total nominal value of the acquired Treasury Shares is PLN 127,409.20 (one hundred and twenty-seven thousand four hundred and nine zlotys and 20/100 cents).

Acquired by CPD S.A. treasury shares represent 14.22% of the Company's share capital and 22.14% of the total number of votes at the Company's general meeting (prior to the repurchase, the Company already held 3,208,149 own shares).

The Company will not exercise its shareholding rights in the Treasury Shares, except for the power to sell them or to perform actions that aim to preserve such rights. The Treasury Shares were acquired for cancellation.

All shares issued by the Company to date are ordinary bearer shares. The Company's Articles of Incorporation do not grant special rights to the Company's shares, including voting preference or the appointment of members of the Company's bodies. The Company's shareholders do not hold shares granting special control rights.

8 Borrowings

	30/9/2023	31/12/2022
Bank borrowings	0	0
Loans from related parties	0	2 831
- long-term	0	0
- short-term	0	2 831
	0	2 831

Loans payable as of 31 December 2022 related to loans from subsidiaries: a loan from a subsidiary of Lakia Investments (the loan bears interest at 3M Wibor + a margin of 1.55%) and a loan from a subsidiary of Robin Investments (the loan bears interest at 3M Wibor + a margin of 1.55%). As of 30 September 2023, both loans including related interest have been repaid.

Notes to the interim condensed financial statements**9 Earnings (loss) per share**

	1/1/2023 - 30/9/2023	1/7/2022 - 30/9/2022	1/7/2023- 30/9/2023	1/7/2022- 30/9/2022
Profit attributable to the shareholders	21 312	(19 587)	(2 344)	(5 330)
Weighted average number of ordinary shares (in '000)	6 048	8 580	5 232	7 821
Earnings per share (in PLN)	3,52	(2,28)	(0,45)	(0,68)
Diluted profit attributable to shareholders	21 312	(19 587)	(2 344)	(5 330)
Weighted average number of ordinary shares (in '000)	6 048	8 580	5 232	7 821
Diluted earnings per share (in PLN)	3,52	(2,28)	(0,45)	(0,68)

10 Administrative costs

	1/1/2023 - 30/9/2023	1/7/2022 - 30/9/2022	1/7/2023- 30/9/2023	1/7/2022- 30/9/2022
Advisory services	3 761	295	252	182
Salaries	1 866	1 803	787	580
Auditor's remuneration	158	121	47	38
Costs of non deductible VAT	0	107	0	36
Other services	459	177	128	63
	6 244	2 503	1 214	899

11 Financial income and expenses and fair value adjustment on loans granted

	1/1/2023 - 30/9/2023	1/7/2022 - 30/9/2022	1/7/2023- 30/9/2023	1/7/2022- 30/9/2022
Fair value adjustment on loans granted	24 044	(27 162)	(858)	(4 317)

Since 1 January 2018, the Company has applied IFRS 9 "Financial Instruments" for the valuation of loans granted. The Company presents the cumulative effect of accrued interest on loans granted and the effect of fair value measurement of loans in one line of the statement of comprehensive income as the result of revaluation of loans to fair value. As of 30 September 2023, all loans granted to related parties have been repaid, or assigned under an assignment of receivables agreement entered into on 29 September 2023 with Securities Trust Sp. z o.o..

	1/1/2023 - 30/9/2023	1/7/2022 - 30/9/2022	1/7/2023- 30/9/2023	1/7/2022- 30/9/2022
Interest income:				
- Bank interest	601	421	92	222
Dividends received	0	11 452	0	0
Other financial income	0	496	0	0
Net exchange differences	0	266	0	191
Financial income	601	12 635	92	413
Interest costs:				
- Interest from related parties	18	130	0	37
Impairment of investments in subsidiaries	2 227	1 450	0	237
Loss on sale of subsidiaries	885	0	368	0
Net exchange differences	209	0	18	0
Financial costs	3 339	1 580	386	274

(All amounts in PLN thousands unless otherwise stated)

Notes to the interim condensed financial statements**12 Cash flow from operating activities**

	1/1/2023 - 30/9/2023	1/7/2022 - 30/9/2022	1/7/2023- 30/9/2023	1/7/2022- 30/9/2022
Profit/loss before tax	15 075	(18 602)	(2 344)	(5 081)
Adjustments for:				
- interest costs	18	130	0	37
- fair value adjustment on loans granted	(23 823)	27 162	959	4 317
- loss on sale of shares in subsidiaries	885	0	368	0
- impairment of investments in subsidiaries	2 227	1 450	0	237
Changes in working capital:				
- changes in trade receivables and other receivables, excluding loans	30	(658)	45	5 683
- change in trade liabilities and other liabilities, excluding loans	(108)	132	(64)	200
	(5 696)	9 614	(1 036)	5 393

13 Related party transactions

CPD S.A. had no direct parent company or ultimate parent company. During the period ended 30 September 2023, Meduvo Holding and Furseka Trading were significant investors with significant influence over the Company. On 13 October 2023, the Company received a notice and became aware that EUVIC S.A. had acquired 2,221,737 shares of the Company, representing 24.69% of the Company's shares.

CPD S.A. also enters into transactions with key management personnel, subsidiaries and other related parties (related through members of the Supervisory Board) controlled by the Company's key management personnel.

These financial statements contain the following balances resulting from transactions with related parties:

a) Transactions with key management personnel

	1/1/2023 - 30/9/2023	1/1/2022 - 30/9/2022	1/7/2023- 30/9/2023	1/7/2022- 30/9/2022
Remuneration of members of the Supervisory Board	295	52	263	16
Remuneration of members of the Board of Directors	1 319	1 354	427	462

b) Transactions with subsidiaries

Revenues (*)	1/1/2023 - 30/9/2023	1/1/2022 - 30/9/2022	1/7/2023- 30/9/2023	1/7/2022- 30/9/2022
<i>Ursa Sky Smart City</i>	0	28	0	0
<i>Antigo Investments</i>	0	15	0	0
<i>Belise Investments</i>	233	1 420	0	433
<i>Celtic Asset Management</i>	61	46	20	21
<i>Celtic Investments Ltd</i>	57	6	22	3
<i>Elara Investments</i>	113	160	28	73
<i>Gaston Investments</i>	50	165	24	19
<i>Hub Developments</i>	119	121	16	55
<i>Lakia Enterprises Ltd</i>	1 469	1 253	347	570
<i>Lakia Investments</i>	300	254	0	242
<i>Mandy Investments</i>	1 083	814	363	370
<i>Ursus Development</i>	8	56	0	25

Notes to the interim condensed financial statements**13 Related party transactions - continued**

Costs (*)	1/1/2023 - 30/9/2023	1/1/2022 - 30/9/2022	1/7/2023 - 30/9/2023	1/7/2022 - 30/9/2022
<i>Lakia Enterprises Ltd</i>	0	15	7	0
<i>Lakia Investments</i>	0	38	13	1
<i>Robin Investments</i>	18	76	25	35
<i>Imes Poland</i>	0	0	0	0
<i>Gaston Investments</i>	4	5	0	1
Liabilities (*)			30/9/2023	31/12/2022
<i>Lakia Enterprises Ltd</i>				0
<i>Lakia Investments</i>				893
<i>Robin Investments</i>				1 939
<i>Gaston Investments</i>				2
Receivables (*)			30/9/2023	31/12/2022
<i>Ursa Sky Smart City</i>				94
<i>Antigo Investments</i>				2 185
<i>Belise Investments</i>				26 750
<i>Celtic Asset Management</i>				459
<i>Elara Investments</i>				2 100
<i>Gaston Investments</i>				48
<i>Hub Developments</i>				2 053
<i>Lakia Enterprises Ltd</i>				26 210
<i>Lakia Investments</i>				2

(*) entities remained related parties during 2023 until sale of shares, as described in note 4

c) Transactions with other related party

Costs	1/1/2023 - 30/9/2023	1/7/2022 - 30/9/2022
<i>Kancelaria Radców Prawnych Oleś&Rodzyńkiewicz sp. komandytowa (**)</i>	18	29

(**) the entity remained affiliated through a member of the supervisory board until 14 November 2023

Notes to the interim condensed financial statements**14 Seasonality and one-off events**

In 2023, the Company disposed of its interests in all subsidiaries and jointly controlled entities, and as a result, ceased preparing consolidated financial statements beginning with the quarterly report for the nine-month period ended 30 September 2023.

15 Events after the balance sheet date

After 30 September 2023, there were changes in the composition of the Company's management and supervisory bodies. On 10 October 2023, Mr. Colin Kingsnorth, previously the Chairman of the Management Board of the Company, resigned from his position. Mr. Andrew Pegge resigned from membership in the Supervisory Board of the Company on November 13, 2023, Mr. Wiesław Oleś on November 13, 2023, and on November 14, 2023, Mr. Mirosław Gronicki. The Extraordinary General Meeting of Shareholders of the Company, held on November 15, 2023, appointed Mr. Adam Proń, Mr. Wojciech Włodarczyk and Mr. Tobiasz Wybraniec to the Supervisory Board.

After the balance sheet date, there were also changes in the Company's shareholding structure, the Company informed about in current reports and described them in more detail in the quarterly report for the third quarter of 2023 in the Directors Report section.