



MLP GROUP S.A. GROUP CONSOLIDATED
HALF-YEAR REPORT
FOR THE SIX MONTHS ENDED 30 JUNE 2024

This document is a translation. Polish version prevails.

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I. Letter from President & CEO to Shareholders



Dear Fellow Shareholders,

The future is inherently uncertain, we usually have to choose between avoiding risk and having little or no return, taking a modest risk and settling for a commensurately modest return, or taking on a high degree of uncertainty in pursuit of substantial gain but accepting the possibility of substantial permanent loss in business. The paradox of risk-taking is inescapable. Taking risk does not mean to be automatically successful; that is why we call it risk. **The rule of keeping risk under control combined with the continuous and steady growth defines our way of operations.**

Summing up the current situation, it would be easiest to say that the worst is behind us i.e. uncertainty to the trajectory/direction of Yield/Valuation, period of high inflation, hesitation and uncertainty towards decisions to start or expand new investments or businesses - of course, there still remains the slim probability of a return of high inflation, economic slowdown and, above all, geopolitical risks and conflicts.

The main characteristics of the current status of the industrial market:

- (1) broad market consensus is that Yields have peaked and Valuation have bottomed** - following a period of increasing valuation yields on the back of interest rate hikes, a gradual stabilization and reversal of the trend is anticipated. As yields stabilize and expected to drop in correlation to interest rates. Yield differential between CEE and Western European logistics yields back to long term average expected to come down further – driven by the higher growth expectations for CEE region.
- (2) demand for warehouse space is bouncing back across Europe (especially since 2Q 2024)** - following several quarters of shifting trends in the European logistics market, signs of stabilization and growth have been observed since Q2 2024. The European logistics market in 1H 2024 has been characterized by dynamic changes, creating both challenges and opportunities for developers. In 1H 2024, demand for warehouse space in Europe dropped by about 25% compared to the same period in 2023, and approximately 35% compared to the record highs of 2022. This statistical reduction of demand was predominantly caused by slower demand generated by the big e-commerce retailers, who had stopped or significantly reduced its expansion plans across Europe. On the flip side, the demand from light industry tenants especially from Asia and nearshoring is showing a growth and partially compensating drop in e-commerce demand.



- (a) **nearshoring** drives demand from manufacturing tenants, which are strongly represented in MLP Group's portfolio, especially in Poland, Germany and Austria, where many local players intend to move part of highly advanced manufacturing back to home or neighboring countries.
 - (b) **strong demand from Asian companies** across Europe, particularly in production space within sectors such as electromobility and battery manufacturing in Western Poland, Romania, Brandenburg (Berlin) and Ruhr Area (North Rhine-Westphalia) play a crucial role and provide MLP Group with a robust foundation for continued growth.
- (3) **longer time to sign lease contracts but better quality lease and tenants** - signing new lease contracts is on average 3-4 months longer compared to the past. New tenants are largely from the light industry sector => these are more advanced projects. Tenants often have to fit their investments into our warehouses - this takes time, but on the other hand, lease agreements are concluded for at least 10 years, tenants invest significant CAPEX in our warehouses, which gives great stability to our portfolio. Rental rates are often higher than for those for logistics tenants.
- (4) **limited supply of new projects** - taking into account problems with financing by so-called "fee developers" - the availability of newly built space has been reduced by about 20-25% in Europe, which has a very positive impact on rental rates.
- (5) **lower construction costs** - construction prices went back practically to pre-COVID level => we are trying to take advantage of the fact that many general contractors are facing problems with new orders and are able to accept very competitive project construction cost => **it impacts positively profitability of our projects.**

Taking these factors into account, MLP Group is well-positioned to capitalize on the shifting market conditions across Europe. **The strategic placement of its logistics parks in the core urban areas across Europe strengthens MLP Group's position in the European logistics real estate sector, offering flexible, client-tailored solutions that also enhance profitability.** By effectively adapting to these market changes, MLP Group can continue to deliver higher-quality products that meet the needs of today's dynamic market with our strategic locations in the key logistic markets.

Given the changing market dynamics, **MLP Group is focusing on developing smaller, more flexible units such as City Logistic (SBU) and Medium Size Units (MSU) - both named as MLP Business Park.** These units are aligned with the evolving needs of modern tenants, offering more specialized, high-quality spaces in city locations allowing us to generate higher rental rates compared to traditional big-box warehouses. **MLP Group is well prepared for the future. Our multi-tenant parks allow us to establish a high diversification of tenants' requirements from small space (starting at 500 m²) up to larger sizes up to 20.000 m² Units.**

Although I begin this letter to shareholders in a challenging landscape, I remain proud of what had been achieved in 1H2024. We delivered excellent results, both from an operational and financial point of view, driven by strong leasing performance across Europe.

Looking back on 1H 2024, our main highlights include:

- **Revenues** amounted to PLN 187.7 million (+1% vs. 1H 2023), EUR 43.5 million (+8% vs. 1H 2023)
- **Value of investment properties** reached PLN 5 057.0 million (+11 % vs. 31 December 2023), EUR 1 172.5 million (+12% vs. 31 December 2023),
- **Net Assets Value (NAV)** reached PLN 2 677.5 million (+12% vs. 31 December 2023), EUR 620.8 million (+13% vs. 31 December 2023),
- **NAV per share** PLN 111.6 (+12% vs. 31 December 2023), EUR 25.9 (+13% vs. 31 December 2023),
- **EBITDA without revaluation** amounted to PLN 99.1 million (+2% vs. 1H 2023), EUR 23.0 million (+9% vs. 1H 2023),
- **FFO** amounted to PLN 40.9 million (-30% vs. 1H 2023), EUR 9.5 million (-25% vs. 1H 2023),
- **Net profit** amounted to PLN 281.6 million (EUR 65.3 million),
- **Lease agreements** signed in 1H 2024 or in signing process by September 2024 approx. 161 thousand sqm
- **BREEAM/ DGNB** almost 80% of our portfolio is certified with very good or excellent level.

Strong cash flow generating portfolio

The portfolio WAULT stood at above 7.8 years. MLP Group has stable occupancy rate at 92%. Rent collection level stood at 99% with no deterioration in payment profile. Customer relationship management helps us develop long-term relations reaching even over 20 years with the retention rate of approx. 100%.

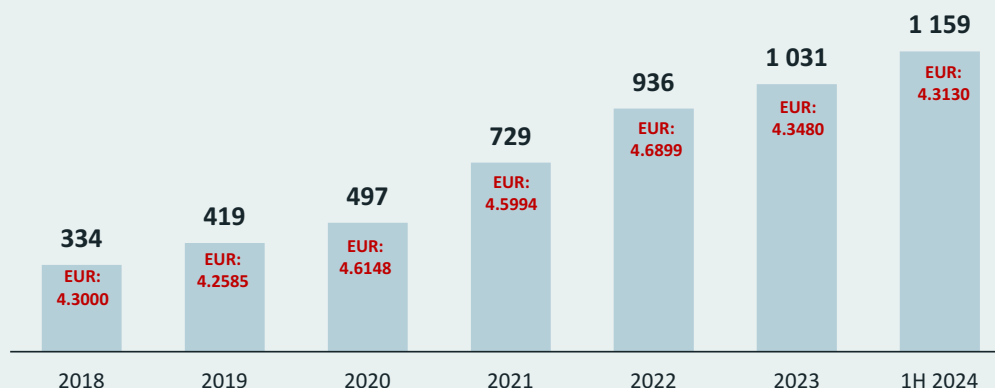
With approximately 195 tenants, MLP Group has a wide and diversified international tenant base, consisting of blue-chip companies with strong credit ratings. MLP Group's tenants represent a broad range of industries, including manufacturing, high-tech, automotive, and e-commerce, retail, wholesale, and third-party logistics. The quality and location of our portfolio is important to our tenants, but in our DNA we believe the high level of service we provide is crucial to maintaining high customer retention as well as low vacancy and the most importantly satisfaction. **According to our continuous satisfaction survey 96% (increase by +1 vs. 2023) of tenants said that they considered MLP Group as the most professional business partner.**

MLP GROUP – key developments in 1H 2024

Value of investment properties

Despite of the challenging economic landscape, 1H2024 was a successful period for us - we continued our strategy deployed in 2021 but from a much stronger equity position than we had in the past years. PLN/EUR strengthening had adverse impact on the value of our investment property. Due to the strengthening of PLN in the reporting period - as at December 31, 2023 EUR 1 = PLN 4.3480 as at the reporting date of June 30, 2024 EUR 1 = PLN 4.3130, a decrease of PLN 0.0350 (-1%). As a consequence, the value of our investment properties decreased by PLN 36.1 million.

Gross asset value (in mn EUR)

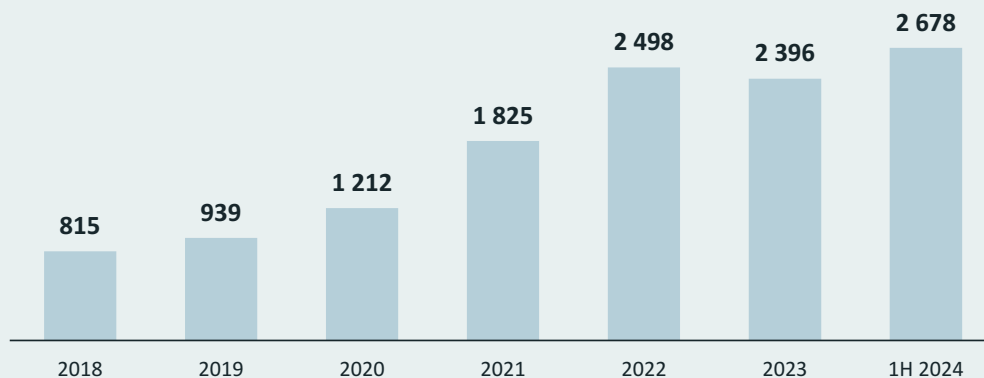


Gross Asset Value of investment properties without Perpetual Usufruct and residential properties

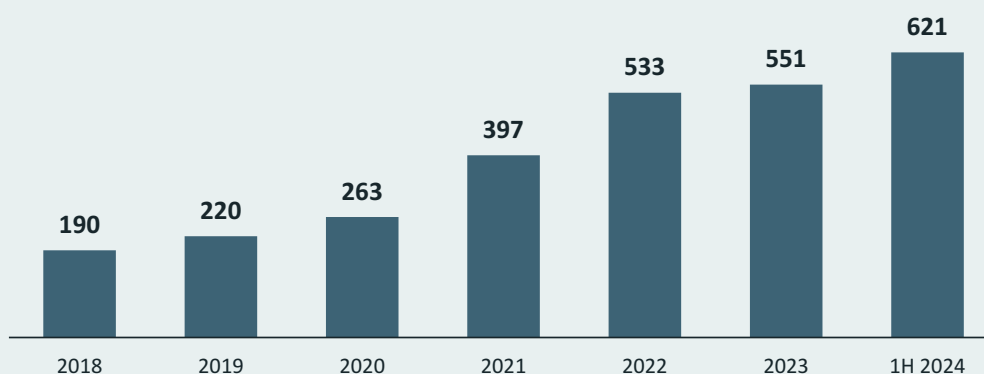
MLP Group's Portfolio is valued in EUR and for the presentation in Financial Statement is translated into PLN with the exchange rate (EUR/PLN) at the balance date.

Net Assets Value (NAV) reached PLN 2 677.5 million (+12% vs. 31 December 2023), EUR 620.8 million (+13% vs. 31 December 2023).

Net asset value (in mn PLN)



Net asset value (in mn EUR)



Leasing results

Repeating what I have mentioned in the beginning of the letter – demand stays strong (bouncing back in 2Q 2024) but we are noting a **longer time to sign lease contracts but better quality lease and tenants** - signing new lease contracts is on average 3-4 months longer compared to the past. New tenants are largely from the light industry sector - these are more advanced projects. Tenants often have to fit their investments into our warehouses - this takes time, but on the other hand, lease agreements are concluded for min 10 years, tenants invest significant CAPEX into our warehouses, which gives great stability to our portfolio. Rental rates are higher than for logistics clients.

Lease agreements signed in 1H 2024 or in signing process by September 2024 approx. 161 thousand sqm.

We expect to sign majority of the budgeted lease contracts for this year in 2H 2024 (esp. in 3Q).

As at 30 June 2024, development projects were ongoing across all countries totalling 171 193 sqm i.e. in Poland 116 673 sqm and in Vienna 54 520 sqm. We leased 43% of this development in the construction, which reconfirms the robustness of the occupier market. We expect to lease all properties under construction by YE..

Our total portfolio reached 1 160 830 sqm with the new space under development amounting to 171 193 sqm.

Tenants from the light manufacturing and logistics sector were the largest takers of our space during 2024. We strongly believe that the trend of near-shoring will be maintained in 2024 and onwards. In 1H 2024 32% of new leases was generated by existing MLP Group tenants.

At 30 June 2024, our portfolio generated rental income of PLN 108.5 million. During the year, we contracted PLN 8.2 million of new rent.

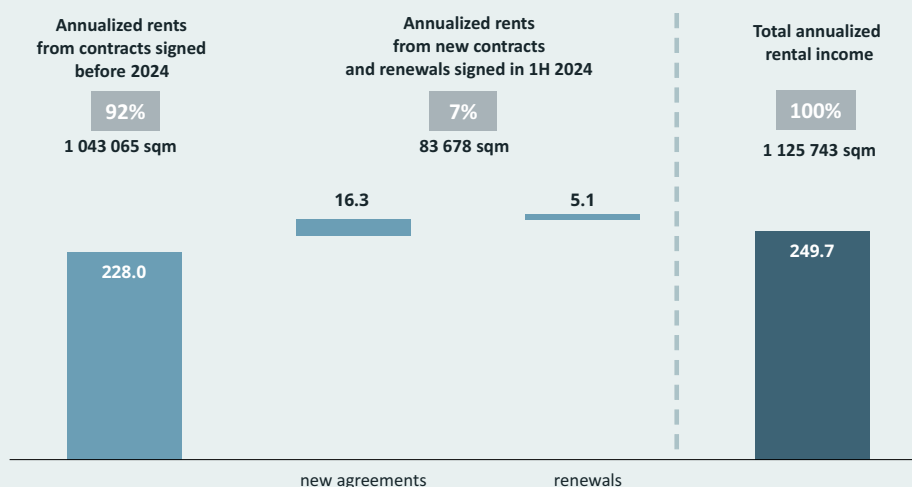
Break-down of the rental income (in mn PLN)



Existing portfolio continues to perform well and delivered another set of strong operating metrics.

Strong tenants' portfolio – **none of MLP Group's tenants run into insolvency nor significant liquidity problems** – very restrictive and conservative tenants' acceptance policy brings sufficient level of comfort for economic slowdown. In addition, based on the tenant stress test we conducted, we do not expect any tenants to have any problems with paying rent on time - which only further confirms our very conservative customer acceptance policy brings expected results.

Annualized future rental income based on all signed contracts in 2024 (in mn PLN)



- PLN 228.3 million of rent from existing assets from contracts signed before 2024.
- Rental growth from new lease reviews and renewals generated PLN 21.4 million.
- **Customer retention rate remained at approx. 100%.**

PV/Solar energy

MLP Group is on track with its expansion plan for the roll-out of photovoltaic systems throughout 2023. With an average cost of approx. EUR 770,000 per MWp, MLP Group targets a YoC of 18% for these investments.

MLP Group has already installed 7.4 MWp of photovoltaic systems on the roof and further 2.6 MWp shall be installed by the end of 2025. The goal is to equip every project with a photovoltaic system, making it a standard feature in the construction of new properties.



Financial standing of MLP Group

MLP Group is in the process of obtaining a credit rating. Obtaining a credit rating from a reputable agency in the foreseeable future should enable us to access the European and global debt markets and improve our ability to raise funds for investment activities.

In line with our conservative financial approach, MLP Group benefits from a solid liquidity position to fund its growth ambitions, with a fixed cost of debt and conservative repayment profile. Considering the current geopolitical situation and high volatility in the economy, we are very well prepared for the current challenges.

- **100% lease agreements indexed with CPI for EUR without any cap (indexed once a year in February);**
- All rentals are denominated in EUR or are directly expressed in EUR, which significantly reduces our exposure to the currency risk;
- Almost 80% of loans are hedged with IRS for the next 4 years, resulting in limited interest rates' exposure;
- Diversification of energy sources and implementation of solutions having a positive impact on the protection of the natural environment.;
- The greatest value is the potential of the secured plots, which enables rapid development in the coming years on European markets, and thus the achievement of the assumed strategic goals;



- 99% rent collection (collection reached within 60 days) across our portfolio;
- Strong cash flow position
 - ✓ **LTV at 37.5%, with in the interest coverage ratio at 2.0 x ICR**
 - ✓ **Long debt maturity** ratio of 4.0 years
 - ✓ **FFO** amounted to PLN 40.9 million (-30% vs. 1H 2023), EUR 9.5 million (-25% vs. 1H 2023). The decrease in FFO in the first half of 2024 compared to the same period in 2023 was influenced by higher financial debt costs, including an increase in interest expenses on loans, borrowings, and bonds by PLN 19.6 million.

MLP Group has a very good financial standing and a safe capital structure enabling the implementation of long-term strategic goals. With the modest leverage, long-average debt maturity of 4.0 years, no near-term refinancing requirements and virtually entire debt at fixed or capped rates, we have significant financial flexibility to continue to invest capital in the development and acquisition opportunities that offer the most attractive risk-adjusted returns.

MLP Group plans for 2H 2024

MLP Group continued its disciplined investment in its highly profitable pipeline as the demand stays stable, we have defined our geographical new rental target for 2H 2024. In 2H 2024 we will lease our Business Park Projects in **Vienna, Schalke (Gelsenkirchen), Łódź and Big-Box projects in Poznań, Idstein (Frankfurt am Main), Berlin-Spreehagen => those projects shall significantly contribute not only to our rental revenue but also to NAV in 2024.**

New plots acquisition – while in 1H 2024 we had a very cautious policy regarding the acquisition of new plots, by the end of the year we intend to buy several additional plots, among others, plots located in (North Rhine-Westphalia), Rzeszów, Warszawa, which should significantly increase our land bank and strengthen our position in the main markets.

Key points for 2024 are focused on deploying acquired plots:

- **MLP Wrocław West (2nd stage)** - building permit for the buildings expected 1-2Q 2025 and subsequent start of construction 2Q 2025,
- **MLP Łódź** - remaining development part of approx. 36 000 sqm of warehouse and office area – building permit for the bridge building expected 4Q 2024 and subsequent construction starting 1Q 2025,
- **MLP Zgorzelec** - construction started in January 2024 of ca. 33 500 sqm area preleased and 15 500 sqm speculative buildings,
- **MLP Poznań West III** – 30 240 sqm – construction starting 3Q 2024, **22 400 sqm pre-lease**
- **MLP Pruszków II** (extension) – approx. 65 000 sqm (30 000 sqm already developed, the remaining part construction starting 3Q 2024),
- **MLP Idstein** | approx. 18 800 sqm of warehouse and office area - construction starting 4Q 2024, **well advance 100% pre-lease contract negotiations.**

Start next Urban/City logistics projects (MLP Business Park) in 2024 and plans for 2025:

- **MLP Business Park Poznań** | approx. 32 000 sqm of warehouse and office area – demolition & construction start in 3Q 2024,
- **MLP Business Park Łódź** | approx. 28 000 sqm of warehouse and office area – construction will be completed in 4Q 2024,
- **MLP Business Park Vienna** | approx. 54 000 sqm of warehouse and office area – construction and leasing started in January 2024 finished by 1Q 2025,
- **MLP Business Park Schalke** | approx. 55 000 of warehouse and office area 4Q 2023 start of demolition, building permit in August 2024 and subsequent construction start 3Q 2024, **well advanced 24 550 sqm pre-lease contract negotiations.**

We expect further high single digit growth in rental rates and ERV (estimated rental values) supported by structural drivers of occupational demand and limited supply.

Most importantly, we will continue our development in Germany, where we are systematically increasing our portfolio of projects. We plan to strengthen and expand our presence in the regions where we are already present i.e. North Rhine-Westphalia, Brandenburg and Hessen land. Further development on the German market is a key point of our strategy.

Urban/City logistics projects (MLP Business Park) will be of our focus in 2024 and onwards being a high growth potential, high profitability and resilient to economic downturns projects. **Our 2028 target is to reach 30% value of Urban/City logistic projects to the total MLP Group portfolio GAV.**

MLP Group's landbank amounts to 2.8 million sqm, securing development potential of 1.4 of which 0.7 million sqm is owned and on-balance sheet, offers substantial secured future growth potential to MLP Group. With its industry leading YoC12%. Hence MLP Group has a substantial revaluation potential in the light of expected Yield compression. MLP has a solid track record of delivering over 10% new GLA per year, thus MLP Group expects to be able to continue to generate double digit growth in the years to come.

In closing

I would like to express my deep gratitude and appreciation to all team members. From this letter, I hope shareholders and all readers gain an appreciation for the tremendous character and capabilities of MLP Group's team and I hope you are as proud of them as I am.

Radosław T. Krochta
President & CEO of MLP Group



II. Selected financial data of the MLP Group S.A. Group

Average exchange rates of the Polish zloty against the euro during the reporting period:

	30 June 2024	31 December 2023	30 June 2023
Average mid exchange rate during the reporting period*	4,3109	4,5284	4,6130
Mid exchange rate on the last day of the reporting period	4,3130	4,3480	4,4503

* Arithmetic mean of the mid exchange rates effective on the last day of each month in the reporting period.

Key items of the condensed consolidated interim statement of financial position translated into the euro:

	as at		30 June 2024		31 December 2023	
			EUR		EUR	
	PLN thousand		thousand	PLN thousand	thousand	
			(unaudited)**	(unaudited)		
Non-current assets	5 177 250		1 200 384	4 667 657		1 073 518
Current assets	349 152		80 953	421 971		97 049
Total assets	5 526 402		1 281 337	5 089 628		1 170 567
Non-current liabilities	2 294 484		531 993	2 351 692		540 867
Current liabilities	554 384		128 538	342 308		78 728
Equity, including:	2 677 534		620 806	2 395 628		550 972
Share capital	5 999		1 391	5 999		1 380
Total equity and liabilities	5 526 402		1 281 337	5 089 628		1 170 567
Number of shares	23 994 982		23 994 982	23 994 982		23 994 982
Book value per share and diluted book value per share attributable to owners of the parent (PLN)	112		26	99,84		22,96

** In accordance with the provisions of the Act on Statutory Auditors, Audit Firms, and Public Oversight, the interim consolidated financial statement is subject to a financial review, whereas the annual consolidated financial statement is subject to an audit.

The data in the condensed consolidated interim statement of financial position was translated at the mid exchange rate quoted by the National Bank of Poland for the last day of the reporting period.

Key items of the condensed consolidated interim statement of profit or loss and other comprehensive income translated into the euro:

	for the six months ended 30 June		2024		2023	
			PLN thousand	EUR thousand	PLN thousand	EUR thousand
			(unaudited)	(unaudited)	restated	restated
Rental income*		108 546	25 179	100 188	21 719	
Revenue from property management services*		79 127	18 355	85 509	18 536	
Other income		4 675	1 084	4 057	879	
Gain/(loss) on revaluation of investment property		275 013	63 795	(227 747)	(49 371)	
Costs of self-provided property management services*		(70 319)	(16 312)	(69 288)	(15 021)	
Selling, general and administrative expenses*		(22 058)	(5 117)	(20 622)	(4 470)	
Operating profit/(loss)		373 722	86 692	(130 897)	(28 376)	
Profit/(loss) before tax		339 232	78 692	(102 507)	(22 221)	
Net profit/(loss)		281 640	65 332	(82 740)	(17 936)	
Total comprehensive income		281 906	65 394	(103 620)	(22 463)	
Net profit/ (loss) attributable to owners of the parent		281 640	65 332	(82 740)	(17 936)	
Earnings per share and diluted earnings per share attributable to owners of the parent (PLN)		11,74	2,59	(3,45)	(0,75)	

* Restated.

The data in the condensed consolidated interim statement of profit or loss and other comprehensive income was translated at the mid exchange rate of the euro calculated as the arithmetic mean of the mid exchange rates quoted by the National Bank of Poland for the last day of each month in the reporting period.

Key items of the condensed consolidated interim statement of cash flows translated into the euro:

<i>for the six months ended 30 June</i>	2024		2023	
	PLN thousand <i>(unaudited)</i>	EUR thousand <i>(unaudited)</i>	PLN thousand <i>(unaudited)</i>	EUR thousand <i>(unaudited)</i>
Net cash from operating activities	59 959	13 909	43 564	9 444
Cash from investing activities	(188 878)	(43 814)	(177 013)	(38 373)
Cash from financing activities	31 998	7 423	297 893	64 577
Total cash flows, net of exchange differences	(96 921)	(22 482)	164 444	35 648
Total cash flows	(93 636)	(21 721)	167 729	36 360

The data in the condensed consolidated interim statement of cash flows was translated at the mid exchange rate of the euro calculated as the arithmetic mean of the mid exchange rates quoted by the National Bank of Poland for the last day of each month in the reporting period.

<i>as at</i>	30 June 2024		31 December 2023	
	PLN thousand <i>(unaudited)</i>	EUR thousand <i>(unaudited)</i>	PLN thousand	EUR thousand
Cash at beginning of period	344 247	79 174	315 200	72 493
Cash at end of period	250 611	58 106	344 247	79 174

The following exchange rates were used to translate the data from the condensed consolidated interim statement of cash flows:

- Cash at end of period – the mid exchange rate quoted by the National Bank of Poland (NBP) for the last day in the reporting period
- Cash at beginning of period – the mid exchange rate quoted by the National Bank of Poland (NBP) for the last day of the period preceding the reporting period.

MLP Group S.A.

INTERIM CONDENSED CONSOLIDATED FINANCIAL

for the six months ended 30 June 2024
prepared in accordance with IAS 34



III. Condensed consolidated interim financial statements of the MLP Group S.A. Group for the six months ended 30 June 2024

Authorisation of the condensed consolidated interim financial statements

On 22 August 2024, the Management Board of the Parent, i.e. MLP Group S.A., authorised for issue these condensed consolidated interim financial statements (the “consolidated financial statements”) of the MLP Group S.A. Group (the “Group”) for the period from 1 January to 30 June 2024.

These condensed consolidated interim financial statements for the period from 1 January to 30 June 2024 have been prepared accordance with IAS 34 "Interim Financial Reporting" as approved by the EU. In this report, information is presented in the following sequence:

1. Condensed consolidated interim statement of profit or loss and other comprehensive income for the period from 1 January to 30 June 2024, showing a net profit of PLN 281,640 thousand.
2. Condensed consolidated interim statement of financial position as at 30 June 2024, showing total assets and total equity and liabilities of PLN 5,526,402 thousand.
3. Condensed consolidated interim statement of cash flows for the period from 1 January to 30 June 2024, showing a net decrease in cash of PLN 93,636 thousand.
4. Condensed consolidated interim statement of changes in equity for the period from 1 January to 30 June 2024, showing an increase in consolidated equity of PLN 281,906 thousand.
5. Notes to the condensed consolidated interim financial statements

These condensed consolidated interim financial statements have been prepared in thousands of PLN, unless stated otherwise.

Signed by the Management Board with qualified digital signatures.

Condensed consolidated interim statement of profit or loss and other comprehensive income

	<i>for</i>	6 months ended 30 June 2024	3 months ended 30 June 2024	6 months ended 30 June 2023	3 months ended 30 June 2023
	Note	<i>(unaudited)</i>	<i>(unaudited)**</i>	<i>restated data (unaudited)</i>	<i>restated data (unaudited)**</i>
Rental income*	4	108 546	53 706	100 188	51 292
Revenue from property management services*	4	79 127	37 770	85 509	39 697
Costs of self-provided property management services*	7	(70 319)	(31 889)	(69 288)	(31 852)
Gross operating profit/(loss)*		117 354	59 587	116 409	59 137
Selling, general and administrative expenses*	7	(22 058)	(11 767)	(20 622)	(10 925)
Gain/(loss) on revaluation of investment property	11	275 013	298 692	(227 747)	(217 442)
Other income	5	4 675	574	4 057	3 591
Other expenses	6	(1 262)	342	(2 994)	(2 748)
Operating profit/(loss)		373 722	347 428	(130 897)	(168 387)
Finance income	8	16 971	(4 412)	62 291	57 402
Finance costs	8	(51 461)	(26 620)	(33 901)	(17 608)
Net finance income/(costs)		(34 490)	(31 032)	28 390	39 794
Profit/(loss) before tax		339 232	316 396	(102 507)	(128 593)
Income tax	9	(57 592)	(50 981)	19 767	19 705
Net profit/(loss)		281 640	265 415	(82 740)	(108 888)
Other comprehensive income that will be reclassified to profit or loss					
Exchange differences on translation of foreign operations		(1 057)	556	(9 377)	(8 768)
Effective portion of changes in fair value of cash flow hedges		1 538	(1 338)	(14 201)	(5 515)
Other comprehensive income that will be reclassified to profit or loss, before tax		481	(782)	(23 578)	(14 283)
Other comprehensive income, gross		481	(782)	(23 578)	(14 283)
Income tax on other comprehensive income that will be reclassified to profit or loss		(215)	254	2 698	1 048
Other comprehensive income, net		266	(2 092)	(20 880)	(41 801)
Total comprehensive income		281 906	263 323	(103 620)	(150 689)

* For information on presentation changes relative to the Group's condensed consolidated financial statements for the six months ended 30 June 2023, see Note 7.

**The data for the three months ended June 30 were not subject to review or audit.

	<i>for</i>	6 months ended 30 June 2024	3 months ended 30 June 2024	6 months ended 30 June 2023	3 months ended 30 June 2023
	Note	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>restated data (unaudited)</i>	<i>restated data (unaudited)</i>
Earnings per share	19				
Earnings per ordinary share:					
- Earnings per ordinary share		11,74	11,06	(3,45)	(4,54)
Diluted earnings per ordinary share:					
- Diluted earnings per ordinary share		11,74	11,06	(3,45)	(4,54)



Condensed consolidated interim statement of financial position

	<i>as at</i>	30 June	31 December
	Note	2024	2023
		<i>(unaudited)</i>	
Non-current assets			
Property, plant and equipment	10	26 953	24 683
Intangible assets		41	94
Investment property	11	5 056 977	4 541 505
Other long-term financial investments	13	86 486	87 481
Other non-current assets	14	5 595	7 853
Deferred tax asset	12	1 198	6 041
Total non-current assets		5 177 250	4 667 657
Current assets			
Inventories		-	504
Short-term investments	13	10 194	1 722
Income tax receivable	15	3 558	2 573
Trade and other receivables	15	80 816	64 315
Other short-term investments	13	3 973	8 610
Cash and cash equivalents	16	250 611	344 247
Total current assets		349 152	421 971
TOTAL ASSETS		5 526 402	5 089 628
Equity			
	18		
Share capital		5 999	5 999
Share premium		485 312	485 312
Cash flow hedge reserve		25 962	24 639
Translation reserve		(10 171)	(9 114)
Retained earnings, including:		2 170 432	1 888 792
Capital reserve		83 542	83 542
Statutory reserve funds		168 129	168 129
Profit/(loss) brought forward		1 637 121	1 689 179
Net profit/(loss)		281 640	(52 058)
Equity attributable to owners of the parent		2 677 534	2 395 628
Total equity		2 677 534	2 395 628
Non-current liabilities			
Borrowings and other debt instruments	20.1	1 805 713	1 907 605
Deferred tax liability	12	411 210	365 113
Other non-current liabilities	20.1	77 561	78 974
Total non-current liabilities		2 294 484	2 351 692
Current liabilities			
Borrowings and other debt instruments	20.2	369 098	206 080
Employee benefit obligations	21	3 296	389
Income tax payable	22	2 734	8 375
Trade and other payables	22	179 256	127 464
Current liabilities other than held for sale		554 384	342 308
Total current liabilities		554 384	342 308
Total liabilities		2 848 868	2 694 000
TOTAL EQUITY AND LIABILITIES		5 526 402	5 089 628

Condensed consolidated interim statement of cash flows

	<i>for the six months ended 30 June</i>	Note	2024	2023
			<i>(unaudited)</i>	<i>(unaudited)</i>
Cash flows from operating activities				
Profit/(loss) before tax			339 232	(102 507)
Total adjustments			(265 995)	163 043
Depreciation and amortisation			377	322
Change in fair value of investment property			(275 013)	227 747
Net interest			47 343	28 379
Exchange differences			(16 017)	(78 272)
Other			2 258	36
Change in inventories			504	-
Change in receivables		17.2	(16 501)	18 925
Change in current and other liabilities		17.3	(8 946)	(34 094)
Cash from operating activities			73 237	60 536
Income tax paid			(13 278)	(16 972)
Net cash from operating activities			59 959	43 564
Cash flows from investing activities				
Interest received			-	2 023
Payments for construction of investment property and purchase of land for development			(184 069)	(173 675)
Payments for acquisition of property, plant and equipment			(2 587)	(36)
Other cash provided by (used in) investing activities			(2 222)	(5 325)
Cash from investing activities			(188 878)	(177 013)
Cash flows from financing activities				
Increase in borrowings		17.1	75 214	497 745
Repayment of borrowings, including refinanced bank borrowings		17.1	(72 357)	(246 618)
Proceeds from fixed-rate hedging derivatives			14 513	14 302
Cost of new share issue			-	(36)
Redemption of bonds			(110 036)	(54 708)
Issue of debt securities			177 235	130 445
Interest paid on non-bank borrowings, bonds and leases			(52 528)	(43 237)
Finance lease payments			(43)	-
Cash from financing activities			31 998	297 893
Total cash flows, net of exchange differences			(96 921)	164 444
Effect of exchange differences on cash and cash equivalents			3 285	3 285
Total cash flows			(93 636)	167 729
Cash and cash equivalents at beginning of period		16	344 247	315 200
Cash and cash equivalents at end of period		16	250 611	482 929

Condensed consolidated interim statement of changes in equity

	Share capital	Share premium	Cash flow hedge reserve*	Translation reserve	Retained earnings	including capital reserve	including statutory reserve funds	including profit brought forward	including net profit	Total equity attributable to owners of the parent	Total equity
As at 1 January 2024	5 999	485 312	24 639	(9 114)	1 888 792	83 542	168 129	1 689 179	(52 058)	2 395 628	2 395 628
<u>Comprehensive income:</u>											
Net profit/(loss)	-	-	-	-	281 640	-	-	-	281 640	281 640	281 640
Total other comprehensive income*	-	-	1 323	(1 057)	-	-	-	-	-	266	266
Comprehensive income for six months ended 30 June 2024*	-	-	1 323	(1 057)	281 640	-	-	-	281 640	281 906	281 906
Allocation from net profit	-	-	-	-	-	-	-	(52 058)	52 058	-	-
Changes in equity*	-	-	1 323	(1 057)	281 640	-	-	(52 058)	333 698	281 906	281 906
As at 30 June 2024*	5 999	485 312	25 962	(10 171)	2 170 432	83 542	168 129	1 637 121	281 640	2 677 534	2 677 534

* The cash flow hedge reserve consists of the effective portion of measurement gains and losses on hedging instruments.

	Share capital	Share premium	Cash flow hedge reserve*	Translation reserve	Retained earnings	including capital reserve	including statutory reserve funds	including profit brought forward	including net profit	Total equity attributable to owners of the parent	Total equity
As at 1 January 2023	5 999	485 348	62 058	3 696	1 940 850	83 680	168 129	1 266 651	422 390	2 497 951	2 497 951
Comprehensive income:											
Net profit/(loss)	-	-	-	-	(82 740)	-	-	-	(82 740)	(82 740)	(82 740)
Total other comprehensive income*	-	-	(11 503)	(9 377)	-	-	-	-	-	(20 880)	(20 880)
Comprehensive income for six months ended 30 June 2023*	-	-	(11 503)	(9 377)	(82 740)	-	-	-	(82 740)	(103 620)	(103 620)
Allocation from net profit	-	-	-	-	-	(138)	-	422 528	(422 390)	-	-
Increase in equity due to share issue ¹⁾	-	(36)	-	-	-	-	-	-	-	(36)	(36)
Changes in equity*	-	(36)	(11 503)	(9 377)	(82 740)	(138)	-	422 528	(505 130)	(103 656)	(103 656)
As at 30 June 2023*	5 999	485 312	50 555	(5 681)	1 858 110	83 542	168 129	1 689 179	(82 740)	2 394 295	2 394 295

¹⁾ On 8 December 2022, the Company increased its share capital by PLN 655,335.80 through the issue of new Series F shares. The District Court for the Capital City of Warsaw registered the share capital increase on 22 December 2022.

* The cash flow hedge reserve consists of the effective portion of measurement gains and losses on hedging instruments.

Notes to the condensed consolidated interim financial statements

1. General information

1.1 The Parent

The Parent of the Group is MLP Group S.A. (the “Company”, the “Parent”, or the “Issuer”), a listed joint-stock company registered in Poland. The Company's registered office is located at ul. 3-go Maja 8 in Pruszków, Poland.

The Parent was established as a result of transformation of the state-owned enterprise Zakłady Naprawcze Taboru Kolejowego im. Bohaterów Warszawy into a state-owned joint-stock company. The deed of transformation was drawn up before a notary public on 18 February 1995. Pursuant to a resolution of the General Meeting of 27 June 2007, the Company trades as MLP Group S.A. As at the date of issue of these condensed consolidated financial statements, the Company continued to trade under this business name.

At present, the Company is registered with the National Court Register maintained by the District Court for the Capital City of Warsaw, 14th Commercial Division, under No. KRS 0000053299.

As at the date of preparation of these consolidated financial statements, the composition of the Parent's Management and Supervisory Boards is as follows:

Management Board:

- Radosław T. Krochta - President of the Management Board
- Michael Shapiro - Vice-President of the Management Board
- Monika Dobosz - Member of the Management Board
- Agnieszka Góźdź - Member of the Management Board

On 29 February 2024, Tomasz Zabost stepped down from his position as Member of the Company's Management Board, effective immediately, without providing reasons for his resignation.

On 1 August 2024, the Supervisory Board of the Parent reappointed the following persons to the Company's Management Board for another term of office: Radosław T. Krochta, Michael Shapiro, Monika Dobosz and Agnieszka Góźdź.

Supervisory Board:

- Shimshon Marfogel - Chairman of the Supervisory Board
- Eytan Levy - Deputy Chairman of the Supervisory Board
- Oded Setter - Member of the Supervisory Board
- Guy Shapira - Member of the Supervisory Board
- Piotr Chajderowski - Member of the Supervisory Board
- Maciej Matusiak - Member of the Supervisory Board

1.2 The Group

As at the reporting date, the MLP Group S.A. Group (the “Group”) consisted of MLP Group S.A., i.e. the Parent, and 59 subsidiaries.

The majority shareholder MLP Group S.A. is CAJAMARCA HOLLAND B.V. of the Netherlands, registered address: Locatellikade 1, 1076 AZ Amsterdam.

The Group's ultimate parent is Israel Land Development Company Ltd. of Tel Aviv, Israel, whose shares are listed on the Tel Aviv Stock Exchange.

The Parent's and its subsidiaries' principal business activities comprise development, purchase and sale of own real estate, lease of own real estate, management of residential and non-residential real estate, general activities involving construction of buildings, and construction.

All subsidiaries listed below are fully consolidated. The financial year of the Parent and the Group companies is the same as the calendar year. The duration of the activities of all Group companies is not limited.

As at 30 June 2024, the Group consisted of the following entities:

Entity	Country of registration	Parent's direct and indirect interest in share capital		Parent's direct and indirect interest in voting rights	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
MLP Pruszków I Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Pruszków II Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Pruszków III Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Pruszków IV Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Poznań Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Lublin Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Poznań II Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Spółka z ograniczoną odpowiedzialnością SKA	Poland	100%	100%	100%	100%
Feniks Obrót Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Property Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Bieruń Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Bieruń I Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Teresin Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Business Park Poznań Sp. z o.o.	Poland	100%	100%	100%	100%
MLP FIN Sp. z o.o.	Poland	100%	100%	100%	100%
LOKAFOP 201 Sp. z o.o.	Poland	100%	100%	100%	100%
LOKAFOP 201 Spółka z ograniczoną odpowiedzialnością	Poland	100%	100%	100%	100%
MLP Wrocław Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Gliwice Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Business Park Berlin I LP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Czeladź Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Temp Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Dortmund LP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Dortmund GP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Logistic Park Germany I Sp. z o.o. & Co. KG	Germany	100%	100%	100%	100%
MLP Poznań West II Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Bucharest West Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Bucharest West SRL	Romania	100%	100%	100%	100%
MLP Teresin II Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Pruszków V Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Germany Management GmbH	Germany	100%	100%	100%	100%
MLP Wrocław West Sp. z o.o.	Poland	100%	100%	100%	100%

Entity	Country of registration	Parent's direct and indirect interest in share capital		Parent's direct and indirect interest in voting rights	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
MLP Business Park Berlin I GP sp. z o.o.	Polska	100%	100%	100%	100%
MLP Łódź II sp. z o.o.	Polska	100%	100%	100%	100%
MLP Zgorzelec sp. z o.o.	Polska	100%	100%	100%	100%
MLP Schwalmthal LP sp. z o.o.	Polska	100%	100%	100%	100%
MLP Schwalmthal GP sp. z o.o.	Polska	100%	100%	100%	100%
MLP Pruszków VI sp. z o.o.	Polska	100%	100%	100%	100%
MLP Business Park Berlin I sp. z o.o. & Co. KG	Niemcy	100%	100%	100%	100%
MLP Schwalmthal sp. z o.o. & Co. KG	Niemcy	100%	100%	100%	100%
MLP Business Park Wien GmbH	Austria	100%	100%	100%	100%
MLP Wrocław West I sp. z o.o.	Polska	100%	100%	100%	100%
MLP Gelsenkirchen GP sp. z o.o.	Polska	100%	100%	100%	100%
MLP Gelsenkirchen LP sp. z o.o.	Polska	100%	100%	100%	100%
MLP Gelsenkirchen sp. z o.o. & Co. KG	Niemcy	100%	100%	100%	100%
MLP Gorzów sp. z o.o.	Polska	100%	100%	100%	100%
MLP Idstein LP sp. z o.o.	Polska	100%	100%	100%	100%
MLP Idstein GP sp. z o.o.	Polska	100%	100%	100%	100%
MLP Idstein sp. z o.o. & Co. KG	Niemcy	100%	100%	100%	100%
MLP Business Park Trebur GP sp. z o.o.	Polska	100%	100%	100%	100%
MLP Business Park Trebur LP sp. z o.o.	Polska	100%	100%	100%	100%
MLP Business Park Trebur sp. z o.o. & Co. KG	Niemcy	100%	100%	100%	100%
MLP Poznań West III sp. z o.o.	Polska	100%	100%	100%	100%
MLP Łódź III sp. z o.o.	Polska	100%	100%	100%	100%
Feniks PV sp. z o.o.	Polska	100%	100%	100%	100%
MLP Bieruń West sp. z o.o.	Polska	100%	100%	100%	100%
MLP Wrocław South sp. z o.o. ¹⁾	Polska	100%	0%	100%	0%
MLP Bieruń II sp. z o.o. ²⁾	Polska	100%	0%	100%	0%

1. 3 Changes in the Group

¹⁾ MLP Wrocław South Sp. z o.o. was incorporated pursuant to a notarial deed of 27 March 2024. All shares in the company were acquired by MLP Group S.A. (50 shares with a total par value of PLN 5,000). The company was registered with the National Court Register on 23 April 2024.

²⁾ MLP Bieruń II Sp. z o.o. was incorporated pursuant to a notarial deed of 27 March 2024. All shares in the company were acquired by MLP Group S.A. (50 shares with a total par value of PLN 5,000). The company was registered with the National Court Register on 17 April 2024.

These condensed consolidated interim financial statements for the six months ended 30 June 2024 include financial statements of the Parent and of the subsidiaries controlled by the Parent (the "Group").

1. 4 Shareholding structure of the Parent

1. 4. 1 Shareholders holding, directly or through subsidiaries, 5% of the Total Number of Votes at the General Meeting of Shareholders and the Structure of Share Ownership by Management and Supervisory Personnel

To the best of the Management Board's knowledge and belief, direct holding directly at least 5% of the total number of votes at the General Meeting of Shareholders and the status of shares held by the management and supervisory personnel as of June 30, 2024, was as follows:

Shareholder	Number of shares and voting rights in the Company	% direct interest in share capital and voting rights
CAJAMARCA Holland BV	10 242 726	42,69%
Other shareholders	4 890 473	20,39%
Israel Land Development Company Ltd.	3 016 329	12,57%
THESINGER LIMITED	1 771 320	7,38%
Allianz OFE	1 713 881	7,14%
Generali Powszechnie Towarzystwo Emerytalne S.A.	1 591 360	6,63%
MIRO HOLDINGS LIMITED. ¹⁾	617 658	2,57%
Shimshon Marfogel	149 155	0,62%
Oded Setter	2 080	0,01%
Total	23 994 982	100,00%

¹⁾ The merger between MIRO HOLDINGS LIMITED (the acquirer) and MIRO LTD (the acquiree) was registered on 26 January 2024. As a result of this transaction, MIRO HOLDINGS LIMITED has been a shareholder in MLP Group S.A. since 26 January 2024.

To the best of the Management Board's knowledge and belief, direct holdings of 5% or more of total voting rights in the Company as at 31 December 2023 were as follows:

Shareholder	Number of shares and voting rights in the Company	% direct interest in share capital and voting rights
CAJAMARCA Holland BV	10 242 726	42,69%
Other shareholders	4 890 473	20,39%
Israel Land Development Company Ltd.	3 016 329	12,57%
THESINGER LIMITED	1 771 320	7,38%
Allianz OFE	1 713 881	7,14%
OFE NNLife	1 591 360	6,63%
MIRO LTD.	617 658	2,57%
Shimshon Marfogel	149 155	0,62%
Oded Setter	2 080	0,01%
Total	23 994 982	100,00%

1. 4. 2 Shares and rights to shares of the Parent held by members of management and supervisory bodies

As at 30 June 2024 and as at 31 December 2023, Michael Shapiro, Vice President of the Management Board, held indirectly, through his fully-controlled company MIRO HOLDINGS LIMITED, a 2.57% interest in MLP Group S.A.'s share capital, and, through a 25% interest in the share capital held by MIRO HOLDINGS LIMITED (formerly MIRO Ltd.) in Cajamarca Holland B.V., Mr. Shapiro was the beneficial owner of 10.67% of the share capital of MLP Group S.A. Therefore, in aggregate, Mr. Shapiro was the beneficial owner of a 13.24% interest in the share capital of MLP Group S.A.

As at 30 June 2024 and as at 31 December 2023, Eytan Levy held indirectly a 10.67% interest in MLP Group S.A.'s share capital: Mr. Levy held a 100% interest in N Towards the Next Millennium Ltd. This company held a 33.33% (1/3) interest in RRN Holdings Ltd. which in turn held a 75% interest in the share capital of Cajamarca Holland B.V., resulting in a 10.67% interest in MLP Group S.A.'s share capital.

As at 30 June 2024 and as at 31 December 2023, Shimshon Marfogel, Chairman of the Supervisory Board, held directly a 0.62% interest in the Company's share capital, comprising Company shares purchased in September 2017.

As at 30 June 2024 and as at 31 December 2023, Oded Setter, member of the Supervisory Board, held directly a 0.0087% interest in the Company's share capital, comprising Company shares acquired in September 2021, October 2021, January 2022, March 2022 and June 2022.

The other members of the Supervisory Board and the Management Board have no direct holdings in the Company's share capital.

2. Basis of accounting used in preparing condensed consolidated interim financial statements

2. 1 Statement of compliance

The Group prepared these condensed consolidated interim financial statements in accordance with IAS 34 *Interim Financial Reporting*, as endorsed by the European Union. The Group applied all standards and interpretations which are applicable in the European Union except for those which are awaiting approval by the European Union and those standards and interpretations which have been approved by the European Union but are not yet effective.

2. 2 Status of standards approval in the European Union

2. 2. 1 Issued standards and interpretations which are not yet effective and have not been adopted early by the Group

The Group intends to adopt, as of respective effective dates, standards and amendments to the existing standards and interpretations which were published by the International Accounting Standards Board but were not yet effective as at the date of authorisation of these consolidated financial statements.

The impact of the amended and new standards on the Group's future consolidated financial statements is discussed in Note 2.2 to the consolidated full-year financial statements for 2023.

Amendments to IFRS effective from January 1, 2024, have no significant impact on these Interim Condensed Consolidated Financial Statements.

2. 3 Basis of accounting used in preparing condensed consolidated interim financial statements

These condensed consolidated interim financial statements have been prepared on the assumption that the Group will continue as a going concern for the foreseeable future and in conviction that there are no circumstances which would pose a threat to the Group's continuing as a going concern.

As of June 30, 2024, the short-term liabilities shown in the interim condensed consolidated financial statements exceed current assets, mainly due to the reclassification of long-term financial liabilities to short-term. The company is actively pursuing the refinancing of this short-term debt with long-term debt. The company considers the risk of failing to secure this refinancing as very unlikely.

These condensed consolidated interim financial statements have been prepared in accordance with the accounting policies described in the consolidated full-year financial statements for 2023.

The condensed interim consolidated financial statements do not include all the additional information that is typically contained in the annual consolidated financial statements. Therefore, these statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2023.

The methods of fair value measurement are presented in Note 3.

2. 4 Functional currency and presentation currency of the financial statements; rules applied to translate financial data

2. 4. 1 Functional currency and presentation currency

In these condensed consolidated interim financial statements all amounts are presented in the Polish złoty (PLN), rounded to the nearest thousand. The Polish złoty is the functional currency of the Parent and the presentation currency of the condensed consolidated interim financial statements. The functional currencies of consolidated foreign entities are the euro (Germany and Austria) and the Romanian leu (Romania).

2. 4. 2 Rules applied to translate financial data

The following exchange rates (against PLN) were used to measure items of the condensed consolidated interim statement of financial position denominated in foreign currencies:

Consolidated statement of financial position:

	30 June 2024	30 June 2024	31 December 2023	31 December 2023	30 June 2023	30 June 2023
	Average mid exchange rate at the reporting date	Average mid exchange rate during the reporting period*	Average mid exchange rate at the reporting date	Average mid exchange rate during the reporting period*	Average mid exchange rate at the reporting date	Average mid exchange rate during the reporting period*
EUR	4,3130	4,3109	4,3480	4,5284	4,4503	4,6130
USD	4,0320	3,9979	3,9350	4,1823	4,1066	4,2711
RON	0,8665	0,8666	0,8742	0,9145	0,8967	0,9331

* Arithmetic mean of the mid exchange rates effective on the last day of each month in the reporting period.

2. 5 Use of estimates and judgements

In these condensed consolidated interim financial statements, material judgements made by the Management Board in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those presented in Note 2 to the consolidated full-year financial statements for 2023.

The preparation of condensed consolidated interim financial statements in accordance with IAS 34 requires that the Management Board makes judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are based on experience and other factors deemed reasonable under the circumstances, and their results provide a basis for judgement about carrying amounts of assets and liabilities that are not directly attributable to other sources. Actual results may differ from the estimates.

3. Segment reporting

The primary and sole business activity of the Group is construction and management of logistics space. The Group's revenue is derived from renting of own property and from property revaluation. None of the customers accounts for 10% or more of the Group's revenue.

Investment property comprises properties generating rental income (existing buildings), construction in progress, land for development, and perpetual usufruct of land.

The Group's focus is on the warehousing sector.

The Group operates in Poland, and abroad: since April 2017 in Germany, since October 2017 in Romania, and since October 2020 in Austria. Locations of the Group's assets coincide with the location of its customers. Operating segments are the same as the Group's geographical segments.

As at 30 June 2024 and in the reporting period then ended the Group had four geographical segments – Poland, Germany, Romania and Austria.

The Management Board is the chief operating decision-maker within the Group.

A segment's profitability is measured by operating profit.

Operating segments

<i>for the six months ended 30 June</i>	2024					
	Poland	Germany	Romania	Austria	Intersegment eliminations	Total
Revenue						
Rental income	91 023	14 171	3 352	-	-	108 546
Revenue from property management services	77 142	4 023	1 284	20	(3 342)	79 127
Gain/(loss) on revaluation of investment property	43 007	187 270	(370)	45 106	-	275 013
Segment's total revenue	211 172	205 464	4 266	45 126	(3 342)	462 686
Operating costs	(82 065)	(8 116)	(1 803)	(3 735)	3 342	(92 377)
Segment's operating profit/(loss)	129 108	197 347	2 463	41 391	-	370 309
Segment's other income/(expense)	(355)	3 785	(17)	-	-	3 413
Profit/(loss) before tax and net finance costs	128 753	201 132	2 446	41 391	-	373 722
Net finance income/(costs)	(21 122)	(8 725)	(882)	-	(3 761)	(34 490)
Profit/(loss) before tax	107 631	192 407	1 564	41 391	(3 761)	339 232
Income tax	(17 440)	(30 039)	(290)	(9 823)	-	(57 592)
Net profit/(loss)	90 191	162 368	1 274	31 568	(3 761)	281 640

The above data includes reconciliation of the segments' financial results with consolidated net profit for the six months ended 30 June 2024, which was PLN 281,640 thousand.

<i>for the six months ended 30 June</i>	2023					
	Poland	Germany	Romania	Austria	Intersegment eliminations	Total
Revenue						
Rental income*	85 654	12 587	1 947	-	-	100 188
Revenue from property management services*	76 152	8 484	856	131	(114)	85 509
Gain/(loss) on revaluation of investment property	(200 030)	(30 075)	62	2 297	(1)	(227 747)
Segment's total revenue	(38 224)	(9 004)	2 865	2 428	(115)	(42 050)
Segment's operating profit/(loss)	(111 542)	(23 007)	1 478	1 111	-	(131 960)
Segment's other income/(expense)	828	234	1	-	-	1 063
Profit/(loss) before tax and net finance costs	(110 714)	(22 773)	1 479	1 111	-	(130 897)
Net finance income/(costs)	44 472	(8 025)	(932)	(4)	(7 121)	28 390
Profit/(loss) before tax	(66 242)	(30 798)	547	1 107	(7 121)	(102 507)
Income tax	16 415	4 045	(138)	(555)	-	19 767
Net profit/(loss)	(49 827)	(26 753)	409	552	(7 121)	(82 740)

The above data includes reconciliation of the segments' financial results with consolidated net loss for the six months ended 30 June 2023, which was PLN 82,740 thousand.

*For information on presentation changes relative to the Group's condensed consolidated financial statements for the six months ended 30 June 2023, see Note 7.

<i>as at</i>	30 June 2024*					
	Poland	Germany	Romania	Austria	Intersegment eliminations	Total
Assets and liabilities						
Segment's assets	4 740 461	845 311	126 895	221 747	(408 012)	5 526 402
Total assets	4 740 461	845 311	126 895	221 747	(408 012)	5 526 402
Segment's liabilities	2 389 495	565 994	113 600	183 812	(404 033)	2 848 868
Equity	2 350 965	279 316	13 296	37 936	(3 979)	2 677 534
Total equity and liabilities	4 740 460	845 310	126 896	221 748	(408 012)	5 526 402
Expenditure on property	169 065	13 357	7 175	55 366	-	244 963

<i>as at</i>	31 December 2023					
	Poland	Germany	Romania	Austria	Intersegment eliminations	Total
Assets and liabilities						
Segment's assets	4 549 246	645 890	125 076	101 790	(332 374)	5 089 628
Total assets	4 549 246	645 890	125 076	101 790	(332 374)	5 089 628
Segment's liabilities	2 288 048	529 231	110 617	92 162	(326 058)	2 694 000
Equity	2 261 198	116 659	14 459	9 628	(6 316)	2 395 628
Total equity and liabilities	4 549 246	645 890	125 076	101 790	(332 374)	5 089 628
Expenditure on property	315 015	57 840	34 565	1	-	407 421
Revaluation of perpetual usufruct of land	16 741	-	-	-	-	16 741

* Unaudited.

Intersegment eliminations concern intra-Group loans advanced by the Group's Polish companies to the companies in Germany, Romania and Austria, as well as intra-Group services.



4. Revenue

	<i>for</i>	6 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2023 (unaudited)
Rental income		108 546	53 706	100 188	51 292
Rental income		108 546	53 706	100 188	51 292

Rental income grew by 8% year on year in the six months ended 30 June 2024. Rent rates in the agreements entered into by the Group companies are denominated in the euro. Therefore, rental income in the euro went up by 16% in the six months ended 30 June 2024 vs six months ended 30 June 2023.

If there had been no euro appreciation and its exchange rate in the first six months of 2024 had remained unchanged relative to the first half of 2023, rental income for the six months ended 30 June 2024 would have been PLN 116,153 thousand.

There is no seasonality in rental income within the activities of the companies belonging to the Group.

The core business of the Group is the rental of properties to tenants. For this leasing activity, the Group acts as a lessor. The Group has entered into lease agreements for properties within its portfolio. Lease agreements under which the Group does not substantially transfer all risks and rewards associated with the ownership of the leased asset are classified as operating leases. The Group presents rental income on a straight-line basis over the lease term, in accordance with IFRS 16 Leases. Commercial property lease agreements typically include clauses that allow for periodic rent increases based on the European Consumer Price Index.

In the operations of the companies within the Group, the primary costs of property management services, and consequently, revenues from property management, are not seasonal in nature, with the exception of the cost of gas purchases (and therefore revenues from utility recharges). Gas is primarily used by the Group's tenants during the heating season.

	<i>for</i>	6 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2023 (unaudited)
Recharge of service charges		38 343	20 471	36 298	20 357
Recharge of utility costs		39 187	17 223	48 162	19 434
Rental income from residential units		30	15	28	15
Services provided to tenants		912	(250)	844	(170)
Other revenue		655	311	177	62
Revenue from property management services		79 127	37 770	85 509	39 698

The Group also generates revenue from property management services. Revenue from property management services consists of fees paid by the tenants of the Group's investment properties to cover the costs of services provided by the Group in connection with their leasing. The property management fee is invoiced monthly, based on the service fee rate agreed upon in the contract, according to the most reliable estimate for a given project. Additionally, the Group earns revenue from recharging utility costs to tenants. Utility charges are re-invoiced to tenants based on usage. This revenue is recognized in accordance with IFRS 15.

The Group primarily recognizes revenue from property management services as principal revenue, i.e., for financial reporting purposes, such costs are recorded on a gross basis, as the Group acts as a principal, controlling the goods or services before they are transferred to the customer.

5. Other income

<i>for</i>	6 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2023 (unaudited)
Reversal of allowances for receivables	-	(2)	9	8
Past due liabilities written off	-	-	75	-
Compensation received	458	298	3 617	3 572
Other	358	277	134	13
Gain on disposal of non-current non-financial assets	3 806	(6)	22	-
Reversal of provision for future costs	49	3	200	(2)
Other income	4 675	574	4 057	3 591

6. Other expenses

<i>for</i>	6 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2023 (unaudited)
Loss on disposal of non-current non-financial assets	-	-	(44)	-
Costs of donations	(5)	(5)	(11)	(11)
Costs covered by insurance policies	(13)	-	(34)	(6)
Other	(133)	14	(2 790)	(2 635)
Investment site acquisition costs	(861)	417	(92)	(73)
Written-off statute-barred receivables	-	-	(21)	(21)
Damages and contractual penalties	(250)	(84)	(2)	(2)
Other expenses	(1 262)	342	(2 994)	(2 748)

7. Distribution costs and administrative expenses

<i>for</i>	6 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2023 (unaudited)
Depreciation and amortisation	(383)	(177)	(322)	(180)
Materials and consumables used	(35 573)	(14 682)	(41 266)	(18 110)
Services	(24 799)	(12 677)	(21 811)	(9 330)
Taxes and charges	(22 199)	(10 979)	(18 260)	(9 127)
Wages and salaries	(6 309)	(3 548)	(5 738)	(4 587)
Social security and other employee benefits	(1 247)	(649)	(1 185)	(757)
Other expenses by nature	(1 866)	(943)	(1 328)	(686)
Distribution costs and administrative expenses	(92 377)	(43 656)	(89 910)	(42 777)

<i>for</i>	6 months ended 30 June 2024 <i>(unaudited)</i>	3 months ended 30 June 2024 <i>(unaudited)</i>	6 months ended 30 June 2023 <i>(unaudited)</i>	3 months ended 30 June 2023 <i>(unaudited)</i>
Cost of maintenance of property generating rental income	(31 773)	(15 428)	(26 394)	(12 944)
Cost of maintenance of property other than generating rental income	(3 938)	(2 308)	(1 952)	(1 004)
Utilities	(34 586)	(14 214)	(40 942)	(17 904)
Other recharged costs	(22)	61	-	-
Costs of self-provided property management services	(70 319)	(31 889)	(69 288)	(31 852)
Depreciation and amortisation	(383)	(177)	(322)	(180)
Selling, general and administrative expenses	(21 675)	(11 590)	(20 300)	(10 745)
Distribution costs and administrative expenses	(92 377)	(43 656)	(89 910)	(42 777)

The higher costs of maintenance of property, including property generating income and other property, were due mainly to an increase in property tax rates and in the volumes of buildings and land based on which property tax is calculated.

Following an analysis of the presentation of operating income and expenses, the Management Board has decided that in order to meet the IFRS requirements and better reflect the nature of the Group's operations, rental income (recognised in accordance with IFRS 16) and revenue from property management services (recognised in accordance with IFRS 15) will be presented separately in the consolidated statement of profit or loss. At the same time, the presentation of distribution costs and administrative expenses has been revised and they are now presented broken down into costs of self-provided property management services, and selling, general and administrative expenses. The comparative data for the six months ended 30 June 2023 and for the three months ended 30 June 2023 has been restated accordingly.

The table below shows the presentation of the items concerned prior to the change.

<i>for the six months ended 30 June</i>	2023		2023
	reported data	presentation change	restated data
Revenue	185 697	(185 697)	-
Rental income	-	100 188	100 188
Revenue from property management services	-	85 509	85 509
Distribution costs and administrative expenses	(89 910)	89 910	-
Costs of self-provided property management services	-	(69 288)	(69 288)
Gross operating profit/(loss)	-	116 409	116 409
Selling, general and administrative expenses	-	(20 622)	(20 622)

<i>for the three months ended 30 June</i>	2023		2023
	reported data	presentation change	restated data
Revenue	90 989	(90 989)	-
Rental income	-	51 292	51 292
Revenue from property management services	-	39 697	39 697
Distribution costs and administrative expenses	(42 777)	42 777	-
Costs of self-provided property management services	-	(31 852)	(31 852)
Gross operating profit/(loss)	-	59 137	59 137
Selling, general and administrative expenses	-	(10 925)	(10 925)

8. Finance income and costs

<i>for</i>	6 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2023 (unaudited)
Interest on loans advanced	368	183	383	196
Ineffective portion of measurement gains and losses on cash flow hedge instruments	683	640	216	(119)
Interest on bank deposits	2 884	1 695	4 474	2 769
Measurement of borrowings at amortised cost	626	(5 247)	-	-
Net exchange differences	12 407	(1 683)	57 215	54 553
Other interest	-	-	1	1
Interest on receivables	3	-	2	2
Total finance income	16 971	(4 412)	62 291	57 402

<i>for</i>	6 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2023 (unaudited)
Interest on borrowings*	(44 268)	(29 203)	(31 822)	(16 545)
Income from fixed-rate hedging derivatives*	13 579	6 809	13 320	8 888
Other interest	(143)	(64)	(69)	(50)
Interest paid on swap contracts	(60)	(60)	-	-
Ineffective portion of measurement gains and losses on cash flow hedge instruments	(20)	131	-	17
Interest on bonds	(17 625)	(9 607)	(10 476)	(5 905)
Other finance costs	(644)	(333)	(587)	(265)
Debt service costs	(2 280)	(1 102)	(4 267)	(3 748)
Total finance costs	(51 461)	(33 429)	(33 901)	(17 608)

* In the financial statements for the six months ended 30 June 2023, the amount disclosed as interest expense on borrowings was offset against income from fixed-rate hedging derivatives.

Foreign exchange gains and losses are mainly attributable to the effect of measurement of liabilities under EUR-denominated borrowings at the end of the reporting period. In the period from 31 December 2023 to 30 June 2024, the Polish currency strengthened by PLN 0.035, or 0.81%. As a result of the appreciation of the zloty against the euro, foreign exchange gains of PLN 12,407 thousand were recognised, which had an effect on the Group's net finance income/(costs).

9. Income tax

In accordance with Polish laws, in 2024 and 2023, consolidated entities calculated their corporate income tax liabilities at 9% or 19% of taxable income. The lower tax rate was applicable to small taxpayers.

The following tax rates were applied in 2024 and 2023 by the Group's foreign operations to calculate current income tax liabilities: in Germany: 15.825%, in Romania: 16%, and in Austria: 23%.

<i>for</i>	6 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2023 (unaudited)
Current income tax	6 632	(2 274)	8 906	4 817
Temporary differences/reversal of temporary	50 960	79 633	(28 673)	(24 522)
Income tax	57 592	77 359	(19 767)	(19 705)

Effective tax rate

<i>for</i>	6 months 30 June 2024 (unaudited)	3 months 30 June 2024 (unaudited)	6 months 30 June 2023 (unaudited)	3 months 30 June 2023 (unaudited)
Profit/(loss) before tax	339 232	316 396	(102 507)	(128 593)
<i>Tax at the applicable tax rate (19%)</i>	(64 454)	(60 115)	19 476	24 432
Excess of commercial property tax over income tax	(653)	(347)	(330)	(169)
Difference due to income tax rate change from 19% to 9%	97	-	6 040	(626)
Differences in income tax for previous years recognised in the separate financial statements after the issue of the consolidated financial statements for a given year	118	118	67	67
Difference between the calculation of income tax for the first six months of 2023 and the amount recognised on the basis of tax advances calculated on a simplified basis	-	-	571	571
Difference due to different rates of tax paid by the Austrian company	(1 802)	(1 826)	72	62
Difference due to 9% rate of tax rate paid by companies qualifying as small taxpayers	5 439	5 711	(224)	(287)
Non-taxable income	70	67	(238)	(259)
Difference due to different rates of tax paid by the German and Romanian companies	6 268	6 279	(141)	(72)
Unrecognised asset for tax loss	112	(261)	(261)	(726)

<i>for</i>	6 months 30 June 2024 (unaudited)	3 months 30 June 2024 (unaudited)	6 months 30 June 2023 (unaudited)	3 months 30 June 2023 (unaudited)
Write-off of unused deferred tax asset for tax loss	-	-	(5)	-
Non-deductible expenses	(2 787)	(607)	(5 260)	(3 288)
Income tax	(57 592)	(50 981)	19 767	19 705

Tax laws relating to value added tax, corporate and personal income tax, and social security contributions are frequently amended. Therefore, it is often the case that no reference can be made to established regulations or legal precedents. The laws tend to be unclear, thus leading to differences in opinions as to legal interpretation of fiscal regulations, both between different state authorities and between state authorities and businesses. Tax and other settlements (customs duties or foreign exchange settlements) may be inspected by authorities empowered to impose significant penalties, and any additional amounts assessed following an inspection must be paid with interest. Consequently, tax risk in Poland is higher than in countries with more mature tax systems.

The Group also operates in Romania, Germany, and Austria. Especially in Romania, the tax laws have undergone significant changes in recent years.

The frequent changes to tax laws are also attributable to the adoption of new regulations required by the EU law in the countries where the Group operates and commitments made by OECD member countries.

Tax settlements may be subject to inspection for five years from the end of the following tax year. As a result, the amounts disclosed in the financial statements may change at a later date, once their final amount is determined by the tax authorities.

The Global Minimum Tax (Pillar 2) framework will apply to groups of companies with consolidated annual revenues of at least EUR 750 million. Accordingly, the Group is not subject to these regulations. As of 1 January 2024, the minimum corporate income tax provisions, previously suspended, took effect again. The Group calculated the tax for the six months ended 30 June 2024 and did not identify any material effect on its current tax amount.



10. Property, plant and equipment

	Buildings and structures	Plant and equipment	Vehicles	Other property, plant and equipment	Property, plant and equipment under construction	Total
Gross carrying amount as at 31 December 2023	3 382	6 248	928	53	17 205	27 816
Increase	-	(6)	622	8	2 092	2 716
Acquisition	-	-	106	8	2 092	2 206
Leases	-	-	519	-	-	519
Exchange differences on translation of foreign operations	-	(6)	(3)	-	-	(9)
Decrease	-	-	(128)	-	-	(128)
Retirement	-	-	(128)	-	-	(128)
Gross carrying amount as at 30 June 2024	3 382	6 242	1 422	61	19 297	30 404

	Buildings and structures	Plant and equipment	Vehicles	Other property, plant and equipment	Property, plant and equipment under construction	Total
Accumulated depreciation as at 31 December 2023	1 914	1 065	109	45	-	3 133
Increase	39	159	179	6	-	383
Depreciation	39	159	174	6	-	378
Exchange differences on translation of foreign operations	-	-	5	-	-	5
Decrease	-	(13)	(52)	-	-	(65)
Retirement	-	-	(4)	-	-	(4)
Sale	-	-	(48)	-	-	(48)
Exchange differences on translation of foreign operations	-	(13)	-	-	-	(13)
Accumulated depreciation as at 30 June 2024	1 953	1 211	236	51	-	3 451
Net carrying amount as at 31 December 2023	1 468	5 183	819	8	17 205	24 683
Net carrying amount as at 30 June 2024	1 429	5 031	1 186	10	19 297	26 953

The Group's plant and equipment include mainly solar photovoltaic systems on rooftops of the logistics parks.

Capital expenditure on property, plant and equipment under construction comprises amounts spent on the construction of new rooftop systems at the logistics parks in Poland and abroad.

11. Investment property

<i>as at</i>	30 June 2024 <i>(unaudited)</i>	31 December 2023
Amount at beginning of period	4 541 505	4 432 975
Purchase of land	1 982	107 990
Expenditure on property	244 963	299 431
Revaluation of perpetual usufruct of land	-	16 741
Exchange differences on translation of foreign operations	(6 491)	(57 952)
Change in fair value	275 013	(257 680)
Amount at end of period	5 056 977	4 541 505

Investment property comprises existing warehouse and office buildings, warehouse and office buildings under construction, and land for development. Rental income from lease of warehouse space is the key source of the Group's revenue. Investment property as at 30 June 2024 included a perpetual usufruct asset measured at PLN 57,937 thousand (31 December 2023: PLN 58,382 thousand).

Change during 2023 in the value of assets recognised as investment property in accordance with IFRS 16

As at 1 January 2024	Increase	decrease	As at 30 June 2024
58 382		(445)	57 937

As at 1 January 2023	Increase	decrease	As at 31 December 2023
42 280	16 741	(639)	58 382

In the period from 31 December 2023 to 30 June 2024, the carrying amount of investment property increased by PLN 515,472 thousand.

Factors contributing to the change:

1. increase of PLN 552,004 thousand in the fair value of the property portfolio (including PLN 246,945 thousand fair value change corresponding to the amount of expenditure incurred in the reporting period, and PLN 305,059 thousand change in excess of the expenditure amount),
2. foreign exchange losses of PLN 6,491 thousand on the translation of the foreign property portfolio,
3. foreign exchange losses of PLN 29,596 thousand on the translation of the Polish property portfolio,
4. decrease of perpetual usufruct of land of PLN 445 thousand.

Investment property by country

as at	30 June 2024 <i>(unaudited)</i>	31 December 2023
Poland	3 944 899	3 779 936
Fair value of property	3 886 962	3 721 554
Perpetual usufruct of land*	57 937	58 382
Germany	793 074	548 457
Fair value of property	793 074	548 457
Austria	200 986	101 308
Fair value of property	200 986	101 308
Romania	118 018	111 804
Fair value of property	118 018	111 804
Gross carrying amount at end of period	5 056 977	4 541 505

* Perpetual usufruct of land is recognised as finance lease in accordance with IFRS 16.

Fair value of properties by country and property type as at 30 June 2024

	Existing buildings	Construction in progress	Pipeline portfolio	Landbank	Perpetual usufruct of land
Poland	3 344 560	248 772	226 778	66 852	57 937
Germany	506 216	-	286 858	-	-
Austria	-	200 986	-	-	-
Romania	96 595	8 648	8 648	12 775	-
TOTAL	3 947 371	458 406	522 284	79 627	57 937

Fair value of properties by country and property type as at 31 December 2023

	Existing buildings	Construction in progress	Pipeline portfolio**	Landbank**	Perpetual usufruct of land
Poland	3 204 407	248 314	91 982	128 153	58 382
Germany	475 236	-	96 960	24 958	-
Austria	-	-	-	101 308	-
Romania	54 250	36 054	-	21 501	-
TOTAL	3 733 893	284 368	188 942	275 920	58 382

** In the consolidated financial statements for the 12 months ended 31 December 2023, the pipeline portfolio and landbank were disclosed together as landbank.

11. 1 Fair value of the Group's investment property

The fair value of investment property was calculated based on expert reports issued by independent expert appraisers, with recognised professional qualifications and with experience in investment property valuation (based on inputs that are not directly observable – Level 3).

Property valuations have been prepared in accordance with the Royal Institution of Chartered Surveyors (RICS) Standards. They comply with the International Valuation Standards (IVS) as published by the International Valuation Standards Committee (IVSC).

For the valuation of existing buildings and construction in progress in the Polish portfolio, the external property appraisers applied either the Hardcore or the Term and Reversion technique, based on their professional judgement.

In the Hardcore technique (also known as the layer method, based on a horizontal split of rental income into “layers”), two main income layers are considered in the valuation:

- the ‘hardcore’ (lower-risk) layer: income actually earned on the property, which is at or below market levels,

- the ‘top slice’ (higher-risk) layer: any excess income generated by the property above the market levels.

In this technique, the value of property represents the sum of capitalised hardcore income and top slice income. The capitalised value of hardcore income is calculated using the traditional simple capitalisation method.

The capitalised value of top slice income is calculated as the difference between the income actually generated by the property on the valuation date, and the potential income that can be earned from the property on the market, capitalised over the period from the valuation date to the end of the term of the lease that guarantees income above market levels.

This technique is typically used for properties where rental income exceeds (or in some cases, is equal to) market rent.

The valuation accounts for, where appropriate, the type of tenants actually in occupation or responsible for meeting obligations under the lease contracts, or likely to be in occupation after vacant space is leased, and the market’s general perception of their creditworthiness; the allocation of maintenance and insurance responsibilities between the lessor and lessee; and the remaining useful life of the property. In the Hardcore valuation method, the higher the rent rate and the lower the yield rate, the higher the fair value of the property.

The Term and Reversion technique (block approach, based on a 'vertical' split of income) involves consideration of income from property over two periods:

- the term of the existing lease contract: the 'term' part of the valuation, based on income earned during the existing lease period,
- period after the current lease expires: the 'reversion' part of the valuation, based on potential income after the end of the lease term (market rent rates as at the valuation date).

The Term & Reversion technique is typically opted for when the rent rates in the two periods differ.

Due to differences in risk levels, in the majority of cases it may be justified to apply different yields in the capitalisation of income for the period corresponding to the 'contract block' and the period corresponding to the 'market block'.

When using the Term & Reversion technique, the market value of the property is calculated by capitalising net operating income (NOI) generated by the property on the valuation date over the period corresponding only to the 'contract block'. The result is then increased by the amount of rental income in the period corresponding to the 'market block', which is capitalised over a perpetuity at a market yield and discounted to its present value as at the valuation date.

The value of the existing buildings in Romania and Germany was calculated by the appraisers using the discounted cash flow method. This approach discounts expected future income streams and residual value to estimate the present value of the property. The DCF method makes it possible to explicitly reflect valuation parameters over a selected time horizon, and typically involves two stages:

1. detailed cash flow projections for a defined period,
2. calculation of the terminal value.

In the detailed cash flow projection period (typically 10 years), all costs associated with the property for each year are deducted from the expected income (gross rental income) to arrive at the net cash flow (net operating income) from the property for that year. The calculations account for various factors, including rent changes, costs of repair and maintenance, costs of management, running costs borne by the lessor, re-letting costs, and capital costs. The net operating income for each year is then discounted to the valuation date at a selected discount rate, monthly in advance. Inflation rate and rent growth expectations are taken into account during the detailed cash flow projection period, and therefore are not reflected in the cash flow forecast and the discount rate applied.

At the end of the detailed cash flow projection period, the property value is estimated using the income capitalisation method.

The income capitalisation method involves capitalising stabilised net rental income at an appropriate capitalisation rate over a perpetuity. After deducting acquisition costs, the net terminal value is then discounted to the valuation date at the DCF discount rate. The income capitalisation method is a static approach, providing a 'snapshot' calculation with only implicit consideration of rent growth or cost changes over time. The effects of rent changes, ageing building structure, and other market or financial factors are implicitly taken into account in the applied capitalisation rate (yield).

The terminal value is based on the stabilised net rental income. From this income, inflation-adjusted costs of ongoing maintenance and management, as well as other running costs, are deducted. After capitalising the resulting stabilised net rental income, the relevant acquisition costs are deducted from the gross terminal value as follows:

- transfer tax on the transfer of land, at a rate depending on the location of the property,
- costs of agent services,
- costs of notary public's services and other legal costs, depending on the level of value.

The residual method of property valuation is applied for investment properties under construction. In this method, the property value is estimated based on its development value (i.e. on completion of the development project) using the income/market approach, taking into account the development budget, including the developer's profit. Development costs include total construction costs, including fit-out costs, professional fees, financing costs and the developer's profit. In this valuation method, the higher the rent rate, the higher the fair value of the property; the lower the yield, the higher the fair value, and the higher the estimated construction costs, the lower the fair value of the property.

The valuation of the pipeline portfolio is based on a development appraisal to assess the potential value (Gross Development Value) of a project once it is fully completed and leased/sold in its currently proposed form. From this Gross Developer Value, the appraisers deducted the project expenditure, including hard costs, soft costs, financing costs, and the developer's profit, to reflect the required level of return to the developer and to account for the project's risk. In assessing the Gross Development Value, the appraisers used a market approach, estimating the market rents for the space to be constructed as well as the appropriate capitalisation rate that would be required by a potential investor, in order to form an opinion on the market value of the completed and leased building.

For valuing the landbank, the appraisers use the sale comparison approach, where the probable value of property (land) is established using data from recent sale transactions involving similar assets.

This method determines the value of sites by comparing them against the selling prices of similar properties. The selling prices of properties that are considered the most comparable provide a range within which the value of the property being valued is likely to fall. The degree of similarity or difference between the property subject to valuation and comparable sale transactions was estimated, taking into account various elements of comparison. Then, percentage adjustments were applied to the selling prices of comparable properties, as the prices of these properties are known, whereas the value of the property being valued is not. This procedure produced the estimated value of the property being valued as at a specific date.

In order to arrive at an estimate of the property's value, the appraisers apply price adjustments as required. The appraisers rely on actual sales or lease evidence for similar properties, considering factors such as the date of sale, location, size of the site, property configuration, technical condition, and available utilities. In the sale comparison approach, the higher the price per square metre, the higher the fair value.

The Group measures the fair value of its property portfolio twice a year, i.e., as at 30 June and 31 December, unless changes occur which require remeasurement. The fair value of property, which is expressed in the euro in valuation reports, is translated at the mid rates quoted by the National Bank of Poland at the end of the reporting period.

The valuation method did not change relative to previous periods.

In the period ended 30 June 2024, there were no reclassifications between fair value hierarchy levels.

In the commercial property market in Poland, there is a shortage of market data that could be used to effectively capture the risks associated with the transition towards a net zero carbon footprint in 2026. To date, no standards have been developed to accurately reflect the impacts of this transition in property valuations. Moreover, there are no existing methodologies that directly link decarbonisation with property valuations. In the case of property leases, the risk involves potential changes to rental income levels due to decarbonisation initiatives, which have been factored into the valuations through rent rates for leased space and yield rates in property sale processes. In particular, the age of buildings and their technical specifications have been taken into account for valuation purposes.

11. 2 Significant assumptions adopted by independent expert appraisers for existing buildings and construction in progress; analysis of sensitivity of existing building valuations to yield changes

For existing buildings and construction in progress

as at	30 June 2024		
	mean	Reversionary yield minimum	maximum
Poland	6,62%	6,02%	8,88%
Germany	5,39%	4,66%	11,40%
Austria	4,55%	4,55%	4,55%
Romania	7,75%	7,75%	7,75%
Total portfolio	6,41%	4,55%	11,40%

Reversionary yield

A sensitivity analysis was performed to examine the sensitivity of yields (rates of return and capitalisation rates) to changes in the valuations of completed investment property. The table below presents the sensitivity of profit/(loss) before tax as at 30 June 2024.

	Present value of investment property PLN million	Estimated value of investment property after yield change PLN million	Valuation difference PLN million
Yield -25pp	3 947	4 139	192
Yield -50pp	3 947	4 347	400
Yield +25pp	3 947	3 774	(173)
Yield +50pp	3 947	3 609	(338)

A sensitivity analysis was also conducted to assess how changes in rent rates affect the valuations of completed investment properties. The table below presents the sensitivity of profit/(loss) before tax as at 30 June 2024.

	Present value of investment property PLN million	Estimated value of investment property after rent rate change PLN million	Valuation difference PLN million
Yield -25pp	3 947	3 867	(80)
Yield -50pp	3 947	3 792	(155)
Yield +25pp	3 947	4 027	80
Yield +50pp	3 947	4 100	153

<i>30 June 2024</i>			
Estimated rental value (ERV) per sqm			
	average for warehouse and office space	warehouse space	office space
Poland	4,60 EUR	4,25 EUR	10,75 EUR
Germany	7,43 EUR	7,06 EUR	10,80 EUR
Austria	8,16 EUR	7,95 EUR	12,51 EUR
Romania	4,53 EUR	4,50 EUR	8,50 EUR

For existing buildings and construction in progress

<i>as at</i>	<i>31 December 2023</i>		
	mean	Reversionary yield minimum	maximum
Poland	6,61%	6,18%	9,22%
Germany	5,08%	4,96%	5,14%
Austria	n/a	n/a	n/a
Romania	7,75%	6,82%	6,82%
Total portfolio	6,46%	4,96%	9,74%

As the project located in Austria was in the process of obtaining a building permit, the land was valued using the comparative method.

A sensitivity analysis was performed to examine the sensitivity of yields (rates of return and capitalisation rates) to changes in the valuations of completed investment property. The table below presents the sensitivity of profit/(loss) before tax as at 31 December 2023.

	Present value of investment property PLN million	Estimated value of investment property after yield change PLN million	Valuation difference PLN million
Yield -25pp	3 734	3 907	173
Yield -50pp	3 734	4 097	363
Yield +25pp	3 734	3 580	(154)
Yield +50pp	3 734	3 435	(299)

A sensitivity analysis was also conducted to assess how changes in rent rates affect the valuations of completed investment properties. The table below presents the sensitivity of profit/(loss) before tax as at 31 December 2023.

	Present value of investment property PLN million	Estimated value of investment property after rent rate change PLN million	Valuation difference PLN million
Yield -25pp	3 734	3 659	(75)
Yield -50pp	3 734	3 584	(150)
Yield +25pp	3 734	3 808	74
Yield +50pp	3 734	3 882	148

	Estimated rental value (ERV) per sqm		
	average for warehouse and office space	warehouse space	office space
Poland	4,58 EUR	4,25 EUR	10,75 EUR
Germany	6,01 EUR	5,53 EUR	9,13 EUR
Austria	n/a	n/a	n/a
Romania	4,53 EUR	4,50 EUR	8,50 EUR

The landbank is valued using the comparative method. The average rates per square metre of land used for each geographic segment are as follows:

- Poland in 2024: from EUR 48 to EUR 88; in 2023: from EUR 47 to EUR 86,
- Germany in 2023: from EUR 98 to EUR 141; in 2024: valued as pipeline portfolio,
- Austria in 2023: EUR 237; in 2024: valued as construction in progress,
- Romania in 2024: EUR 44; in 2023: EUR 46.



12. Deferred tax

	Deferred tax asset		Deferred tax liability		Net amount	
	30 June	31 December	30 June	31 December	30 June	31 December
	2024	2023	2024	2023	2024	2023
as at						
	<i>(unaudited)</i>		<i>(unaudited)</i>		<i>(unaudited)</i>	
Investment property ¹⁾	-	-	411 816	360 743	411 816	360 743
Borrowings and loans	-	-	15 096	9 669	15 096	9 669
Derivatives	-	-	6 458	6 100	6 458	6 100
Other	8 743	11 133	-	-	(8 743)	(11 133)
Tax losses deductible in future periods	13 284	7 635	-	-	(13 284)	(7 635)
Interest on bonds	1 331	-	-	1 328	(1 331)	1 328
Deferred tax asset/ liability	23 358	18 768	433 370	377 840	410 012	359 072

	30 June	31 December
as at	2024	2023
	<i>(unaudited)</i>	
Including:		
Deferred tax asset	(1 198)	(6 041)
Deferred tax liability	411 210	365 113
	410 012	359 072

Based on the tax budgets prepared by the Group, the Management Board considers it justified to recognise a deferred tax asset on tax loss in the amount disclosed in the statement of financial position.

1) Deferred tax on investment property relates fully to a long period. Therefore, at least 98% of the deferred tax liability shown above is a long-term deferred tax liability.

	1 January 2023	changes recognised in profit or loss	changes recognised in other comprehensive income	currency translation differences	31 December 2023
Investment property	408 332	(43 796)	-	(3 793)	360 743
Borrowings and loans	(8 282)	17 951	-	-	9 669
Derivatives	14 643	(11)	(8 532)	-	6 100
Other	(13 869)	2 666	-	70	(11 133)
Tax losses deductible in future periods	(3 823)	(3 812)	-	-	(7 635)
Interest on bonds	(1)	1 329	-	-	1 328
	397 000	(25 673)	(8 532)	(3 723)	359 072

	1 January 2024	changes recognised in profit or loss <i>(unaudited)</i>	changes recognised in other comprehensive income <i>(unaudited)</i>	currency translation differences <i>(unaudited)</i>	30 June 2024 <i>(unaudited)</i>
Investment property	360 743	51 400	-	(327)	411 816
Borrowings and loans	9 669	5 427	-	-	15 096
Derivatives	6 100	143	215	-	6 458
Other	(11 133)	2 298	-	92	(8 743)
Tax losses deductible in future periods	(7 635)	(5 649)	-	-	(13 284)
Interest on bonds	1 328	(2 659)	-	-	(1 331)
	359 072	50 960	215	(235)	410 012

13. Investments and other investments

<i>as at</i>	30 June 2024 <i>(unaudited)</i>	31 December 2023
Long-term receivables from measurement of swap contracts	24 585	32 756
Cash set aside in accordance with credit facility agreements to secure payment of principal and interest – long-term portion	30 096	25 690
Bank deposits comprising security deposits from tenants	9 756	8 015
Cash set aside in CAPEX account	214	214
Long-term performance bonds retained	4 459	3 748
Deposit under bank guarantee	136	136
Long-term loans to related entities	17 240	16 922
Other long-term investments	86 486	87 481
<p>The main bank with which the Group holds deposits comprising security deposits from tenants, cash set aside in accordance with credit facility agreements, and deposits comprising retained performance bonds is a bank with an A+ investment grade ranking (35% of total long-term and short-term investments in the form of deposits).</p>		
Short-term receivables from measurement of swap contracts	10 194	1 722
Short-term investments	10 194	1 722
Cash set aside in accordance with credit facility agreements to secure payment of principal and interest – short-term portion	289	2 432
Short-term performance bonds retained	3 387	5 881
Deposit under bank guarantee	297	297
Total other short-term investments	3 973	8 610

13. 1 Change in financial assets attributable to financing and other activities

	<i>Loan assets</i>
As at 31 December 2022	16 626
Interest accrued	771
Exchange differences on measurement	(475)
As at 31 December 2023	16 922
Interest accrued	368
Exchange differences on measurement	(50)
Amount as at 30 June 2024*	17 240

**unaudited*

14. Other non-current assets

<i>as at</i>	30 June 2024 <i>(unaudited)</i>	31 December 2023
Long-term prepayments and accrued income	5 595	7 853
Other non-current assets	5 595	7 853

15. Trade and other receivables

<i>as at</i>	30 June 2024 <i>(unaudited)</i>	31 December 2023
Trade receivables	22 197	21 453
Investment settlements	1 360	628
Prepayments and accrued income	7 077	3 972
Prepayments for property, plant and equipment and investment property under construction	225	225
Taxes and social security receivable*	49 957	38 037
Trade and other receivables	80 816	64 315
Income tax receivable	3 558	2 573
Short-term receivables	84 374	66 888

* As at 30 June 2024 (and as at 31 December 2023), tax and social security receivable comprised mainly VAT receivable of PLN 31,769 thousand (PLN 28,920 thousand) as disclosed in the VAT returns filed, and input VAT of PLN 18,188 thousand (PLN 8,920 thousand) to be deducted in future periods.

Trade receivables remained at a similar level relative to the previous year. The rent collection ratio was 99%, largely unchanged year on year.

For more information on receivables from related entities, see Note 25.

The Group uses a provision matrix to calculate expected credit losses. In order to determine expected credit losses, trade receivables have been grouped on the basis of similarity of credit risk characteristics and past due periods. The Group has concluded that its receivables comprise a homogeneous group, i.e. receivables from tenants.

The time past due structure for trade receivables and loss allowances is presented in the table below.

<i>as at</i>	30 June 2024		31 December 2023	
	Gross receivables <i>(unaudited)</i>	Allowances <i>(unaudited)</i>	Gross receivables	Allowances
Not past due	12 381	-	13 803	-
Past due from 1 to 30 days	6 006	-	4 875	-
Past due from 31 to 60 days	833	-	157	-
Past due from 61 to 90 days	-	-	22	-
Past due from 91 to 180 days	275	-	99	(7)
Past due over 181 days	3 242	(540)	5 201	(2 697)
Total receivables	22 737	(540)	24 157	(2 704)

	2024 <i>(unaudited)</i>	2023
Allowances for receivables as at 1 January	(2 704)	(2 716)
Recognition	-	(7)
Use	2 164	19
Allowances for receivables as at 30 June*/ 31 December	(540)	(2 704)

* Unaudited.

16. Cash and cash equivalents

	30 June 2024 <i>(unaudited)</i>	31 December 2023
<i>as at</i>		
Cash in hand	92	117
Cash at banks	250 519	225 321
Short-term deposits	-	118 809
Cash and cash equivalents in the consolidated statement of financial position	250 611	344 247
Cash and cash equivalents in the consolidated statement of cash flows	250 611	344 247

Cash and cash equivalents disclosed in the consolidated statement of financial position include cash in hand and bank deposits with original maturities of up to three months.

Indications of impairment of cash and cash equivalents were determined separately for each balance held with the financial institutions. Credit risk was assessed using external credit ratings and publicly available information on default rates set by external agencies for a given rating. The analysis showed that the credit risk of the assets as at the reporting date was low.

All banks with which the Group holds cash have investment grade ratings, not lower than BBB-.



The main bank where the Group holds 31% of its cash and cash equivalents as well as restricted deposits is a financial institution with an A+ credit rating. The second primary bank, where the Group holds 14% of its funds, is also an institution with an A+ credit rating. The Group monitors the banks' credit ratings and manages concentration risk by placing deposits in multiple (over 10) financial institutions.

17. Notes to the condensed consolidated interim statement of cash flows

17. 1 Cash flows from borrowings

<i>for the six months ended 30 June</i>	2024	2023
	<i>(unaudited)</i>	<i>(unaudited)</i>
Proceeds from bank borrowings	75 214	497 745
Cash flows from proceeds from borrowings	75 214	497 745
Cash flows from proceeds from borrowings – amount disclosed in the condensed consolidated statement of cash flows	75 214	497 745

<i>for the six months ended 30 June</i>	2024	2023
	<i>(unaudited)</i>	<i>(unaudited)</i>
Repayment of bank borrowings, including refinanced bank borrowings	(72 357)	(246 479)
Repayment of non-bank borrowings	-	(139)
Total repayment of borrowings	(72 357)	(246 618)
Cash flows from repayment of borrowings	(72 357)	(246 618)
Cash flows from repayment of borrowings – amount disclosed in the condensed consolidated statement of cash flows	(72 357)	(246 618)



17. 2 Change in receivables

<i>for the six months ended 30 June</i>	2024 <i>(unaudited)</i>	2023 <i>(unaudited)</i>
Change in trade and other receivables	(16 501)	16 486
Change in prepayments for land purchases	-	2 439
Change in receivables	(16 501)	18 925
Change in receivables disclosed in the consolidated statement of cash flows	(16 501)	18 925

17. 3 Change in current and other liabilities

<i>for the six months ended 30 June</i>	2024 <i>(unaudited)</i>	2023 <i>(unaudited)</i>
Change in trade and other payables	51 792	(79 893)
Change in employee benefit obligations	2 907	(189)
Change in current liabilities under performance bonds and security deposits	611	5 078
Change in finance lease and swap liabilities	(983)	90
Elimination of changes in investment commitments	(63 273)	40 820
Change in current and other liabilities	(8 946)	(34 094)
Change in current and other liabilities disclosed in the consolidated statement of cash flows	(8 946)	(34 094)

18. Equity

18. 1 Share capital

<i>as at</i>	30 June 2024 <i>(unaudited)</i>	31 December 2023
Share capital [number of shares]		
Series A ordinary shares	11 440 000	11 440 000
Series B ordinary shares	3 654 379	3 654 379
Series C ordinary shares	3 018 876	3 018 876
Series D ordinary shares	1 607 000	1 607 000
Series E ordinary shares	1 653 384	1 653 384
Series F ordinary shares	2 621 343	2 621 343
Ordinary shares – total	23 994 982	23 994 982
Par value per share [PLN]	0,25	0,25

As at 30 June 2024, the Parent's share capital amounted to PLN 5,998,745.50 and comprised 23,994,982 shares conferring 23,994,982 voting rights in the Company. The par value per share is PLN 0.25. The entire capital has been paid up.

	<i>as at</i>	30 June 2024*		31 December 2023	
		Number of shares	Par value	Number of shares	Par value
Number/value of shares at beginning of period		23 994 982	5 999	23 994 982	5 999
Issue of shares		-	-	-	-
Number/value of shares at end of period		23 994 982	5 999	23 994 982	5 999

* Unaudited.

19. Earnings and dividend per share

Earnings per share for each reporting period are calculated as the quotient of net profit for the period attributable to owners of the Parent and the weighted average number of shares outstanding in the reporting period.

	<i>for</i>	<i>6 months ended</i>	<i>3 months ended</i>	<i>6 months ended</i>	<i>3 months ended</i>
		<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>
		2024	2024	2023	2023
		<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Net profit/(loss) for period		281 640	265 415	(82 740)	(108 888)
Number of outstanding shares		23 994 982	23 994 982	23 994 982	23 994 982
Weighted average number of outstanding shares		23 994 982	23 994 982	23 994 982	23 994 982
Earnings per share attributable to owners of the Parent during the reporting period (PLN per share):					
- basic		11,74	11,06	(3,45)	(4,54)
- diluted		11,74	11,06	(3,45)	(4,54)

There were no dilutive factors in the presented periods.

20. Liabilities under borrowings and other debt instruments, and other liabilities

20. 1 Non-current liabilities

	<i>as at</i>	30 June 2024	31 December 2023
		<i>(unaudited)</i>	
Bank borrowings secured with the Group's assets		1 611 605	1 568 901
Bonds		176 833	321 752
Non-bank borrowings		17 275	16 952
Non-current liabilities under borrowings and other debt instruments		1 805 713	1 907 605

<i>as at</i>	30 June 2024 <i>(unaudited)</i>	31 December 2023
Finance lease liabilities (perpetual usufruct of land) ¹⁾	57 937	58 382
Liabilities from measurement of swap contracts	1 949	3 959
Performance bonds	5 416	7 241
Security deposits from tenants and other	11 467	9 031
Lease liabilities (vehicles)	792	361
Other non-current liabilities	77 561	78 974

¹⁾ The Group is a party to pending court proceedings concerning revision of the perpetual usufruct charge rate. As at the date of issue of this report, the Management Board of MLP Group S.A. estimated, where appropriate, a provision for a portion of potential claims against MLP Pruszków I, MLP Pruszków II, MLP Pruszków III Sp. z o.o. The amount determined by the court may affect the carrying amount of investment property and lease liabilities. For a description of disputes, see Note 26.

20. 2 Current liabilities

<i>as at</i>	30 June 2024 <i>(unaudited)</i>	31 December 2023
Short-term bank borrowings and short-term portion of bank borrowings secured with the Group's assets	43 072	94 643
Bonds	325 819	111 248
Current liabilities under borrowings and other debt instruments	368 891	205 891

Liabilities under borrowings secured with the Group's assets and under borrowings not secured with the Group's assets comprise liabilities to both related and unrelated parties.

<i>as at</i>	30 June 2024 <i>(unaudited)</i>	31 December 2023
Liabilities under lease of vehicles	207	189
Other current liabilities	207	189

20. 3 Change in financial liabilities attributable to financing activity

	Bonds
As at 31 December 2022	383 879
Issue of bonds	130 445
Interest accrued on bonds	25 700
Interest paid on bonds	(22 298)
Redemption of Series A bonds	(54 708)
Exchange differences on measurement	(30 018)
As at 31 December 2023	433 000
Issue of bonds	177 235
Interest accrued on bonds	17 625
Interest paid on bonds	(10 973)
Redemption of Series E bonds and portion of Series D bonds	(110 036)
Exchange differences on measurement	(4 199)
As at 30 June 2024*	502 652

* Unaudited.

	Non-bank borrowings
As at 31 December 2022	16 654
Interest accrued	782
Exchange differences on measurement	(484)
As at 31 December 2023	16 952
Interest accrued	370
Exchange differences on measurement	(47)
As at 30 June 2024*	17 275



Bank borrowings	
As at 31 December 2022	1 455 952
Interest accrued – credit facilities	76 869
Interest paid – credit facilities	(74 435)
Interest accrued – IRS	(27 309)
Interest received – IRS	25 242
New credit facility contracted	590 713
Repayment of principal	(258 960)
Realised foreign exchange gains/(losses)	(2 197)
Exchange differences on measurement	(118 079)
Interest capitalised	(577)
As at 31 December 2023	1 663 544
Interest accrued – credit facilities	43 899
Interest paid – credit facilities	(41 523)
Interest accrued – IRS	(13 519)
Interest received – IRS	14 513
New credit facility contracted	75 214
Repayment of principal	(72 357)
Realised foreign exchange gains/(losses)	(176)
Exchange differences on measurement	(13 843)
Bank borrowings measured at amortised cost	(626)
As at 30 June 2024*	1 654 677

Leases (perpetual usufruct of land)	
As at 31 December 2022	42 280
Revaluation of perpetual usufruct of land at companies engaged in litigation with the Pruszków District Governor	16 741
Annual payment	(639)
As at 31 December 2023	58 382
Revaluation of perpetual usufruct of land at companies engaged in litigation with the Pruszków District Governor	-
Annual payment	(445)
As at 30 June 2024*	57 937

* Unaudited.

20. 4 Liabilities under bonds

Instrument	Currency	Nominal value as at 30 June 2024	Nominal value as at 31 Dec 2023	Maturity date	Interest rate	Guarantees and collateral	Listing venue
Public bonds – Series C	EUR	45 000 000	45 000 000	19 Feb 2025	6M EURIBOR + margin	<i>none</i>	Catalyst
Public bonds – Series F	EUR	29 000 000	29 000 000	26 May 2025	6M EURIBOR + margin	<i>none</i>	Catalyst
Public bonds – Series G ¹⁾	EUR	41 000 000	-	4 Dec 2026	6M EURIBOR + margin	<i>none</i>	Catalyst

On 21 January 2024, the Company redeemed at maturity Series E bonds with a total nominal value of EUR 4,000,000.

On 27 February 2024, the Company redeemed early a portion of Series D bonds with a total nominal value of EUR 8,600,000. On 17 May 2024, the remaining Series D bonds, with a total nominal value of EUR 11,400,000, were redeemed at maturity.

¹⁾ On 8 March 2024, the Company issued Series G bonds with a total nominal value of EUR 41,000,000.



20. 5 Borrowings secured and not secured with the Group's assets

	currency	interest rate (%)	as at matures in	30 June 2024*		as at matures in	31 December 2023	
				EUR thousand**	PLN thousand		EUR thousand**	PLN thousand
Bank borrowings secured with the Group's assets								
Working capital (VAT) facility	PLN	1M WIBOR + margin	-	325	1 400	-	322	1 400
Construction credit facility PEKAO S.A.	EUR	1M EURIBOR + margin	-	-	-	2029	10 420	45 105
Investment credit facility PEKAO S.A.	EUR	1M EURIBOR + margin	2029	21 255	91 494	2029	11 237	48 861
Investment credit facility BNP Paribas S.A.	EUR	3M EURIBOR + margin	2029	9 108	39 126	2029	9 884	42 945
Investment credit facility ING Bank Śląski S.A., PKO BP S.A. and ICBC (Europe) S.A. Polish Branch	EUR	3M EURIBOR + margin	2027	96 594	415 924	2027	97 351	422 506
Investment credit facility Aareal Bank AG	EUR	fixed interest rate/6M EURIBOR + margin	2028	61 299	260 730	2028	60 800	260 237
Construction credit facility mBank S.A.	EUR	1M EURIBOR + margin	2029	12 027	51 492	2029	11 700	50 455
Investment credit facility PKO BP S.A. and BGŻ BNP Paribas S.A.	EUR	3M EURIBOR + margin	2027	68 429	294 843	2027	69 713	302 883
Investment credit facility BNP Paribas S.A.	EUR	3M EURIBOR + margin	2029	6 743	29 082	2029	6 895	29 980
Investment credit facility BNP Paribas	EUR	3M EURIBOR + margin	2030	11 079	47 525	2030	7 213	30 972
Construction credit facility BNP Paribas	EUR	3M EURIBOR + margin	-	-	-	2030	4 001	17 396
Investment credit facility ING Bank Śląski S.A.***	EUR	3M EURIBOR + margin	2029	7 821	33 730	2024	4 222	18 355
Investment credit facility ING Bank Śląski S.A.***	EUR	1M EURIBOR + margin	2029	179	607	2024	1 654	7 189
Investment credit facility Santander	EUR	3M EURIBOR + margin	2027	5 435	23 129	2027	5 443	23 447
Investment credit facility ING Bank Śląski S.A.***	EUR	3M EURIBOR + margin	2024	7 307	31 362	2024	7 398	32 168
Construction credit facility Santander	EUR	3M EURIBOR + margin	2027	12 498	53 903	2027	10 384	45 148
Investment credit facility Bayerische Landesbank	EUR	fixed interest rate	2031	19 427	83 575	2031	19 450	84 331
Investment credit facility OTP Bank Romania S.A.	EUR	3M EURIBOR + margin	2031	5 250	22 606	2031	5 413	23 501
Investment credit facility Bayerische Landesbank	EUR	fixed interest rate	2030	40 378	174 149	2030	40 631	176 665
Total bank borrowings					1 654 677		1 663 544	

* Unaudited.

** Amounts of credit facilities in EUR thousand, inclusive of commission fees.

*** On 26 April 2024, the Group refinanced the credit facilities and the repayment date was set for 2029.

	currency	effective interest rate (%)	as at matures in	30 June 2024*		as at matures in	31 December 2023	
				EUR thousand	PLN thousand		EUR thousand	PLN thousand
Non-bank borrowings not secured with the Group's assets								
Fenix Polska S.A.	EUR	3M EURIBOR + margin	2029	1 389	6 318	2029	1 389	6 236
Fenix Polska S.A.	PLN	3M WIBOR + margin	2032	-	1 093	2032	-	1 065
Fenix Polska S.A.	PLN	3M WIBOR + margin	2032	-	7 688	2032	-	7 523
Fenix Polska S.A.	PLN	3M WIBOR + margin	2032	-	1 015	2032	-	992
Fenix Polska S.A.	PLN	3M WIBOR + margin	2032	-	680	2032	-	666
Fenix Polska S.A.	PLN	3M WIBOR + margin	2032	-	142	2032	-	139
Fenix Polska S.A.	PLN	3M WIBOR + margin	2032	-	339	2032	-	331
Total non-bank borrowings				17 275		16 952		16 952
Total borrowings secured and not secured with the Group's assets				1 671 952		1 680 496		1 680 496

* Unaudited.



21. Employee benefit obligations

<i>as at</i>	30 June 2024	31 December 2023
	<i>(unaudited)</i>	
Wages and salaries	69	63
Provision for variable remuneration*	3 227	301
Employee benefit obligations	3 296	364

* Includes a provision for variable remuneration for services and under employment contracts .

22. Trade and other payables

<i>as at</i>	30 June 2024	31 December 2023
	<i>(unaudited)</i>	
Trade payables	21 650	30 021
Deferred income	3 801	3 856
Taxes and social security payable	6 691	11 199
Unbilled trade payables	13 385	21 905
Investment commitments, security deposits and other obligations	133 729	60 508
Trade and other payables	179 256	127 489
Income tax payable	2 734	8 375
Current liabilities	181 990	135 864

As at 30 June 2024, the Group did not carry any past due trade payables towards related parties. The increase in trade payables was partly due to lower prices for purchasing electricity in June 2024 compared with December 2023.

The increase in investment commitments relative to 2023 was primarily due to the commencement of new investment projects by the Group in 2024, as investment commitments are current liabilities.

The table below presents time past due for trade and other payables:

<i>as at</i>	30 June 2024	31 December 2023
	<i>(unaudited)</i>	
Not past due	183 953	119 882
Past due from 1 to 90 days	3 633	8 678
Past due from 91 to 180 days	1 309	48
Pas due over 180 days	47	53
Total trade and other payables	188 942	128 661

The time past due structure presented above includes non-current liabilities.

Trade payables are non-interest bearing and are typically settled within 30 to 60 days. Other payables are non-interest bearing, with average payment period of one month. Amounts resulting from the difference between input and output value added tax are paid to the relevant tax authorities in the periods prescribed by the relevant tax laws. Interest payable is generally settled on the basis of accepted interest notes.

23. Financial instruments

23. 1 Measurement of financial instruments

The fair value of financial assets and financial liabilities as at 30 June 2024 and 31 December 2023 was equal to the respective amounts disclosed in the consolidated statement of financial position.

The following assumptions were made for the purpose of fair value measurement:

- **cash and cash equivalents:** the carrying amount corresponds to the amortised cost value;
- **trade receivables, other receivables, trade payables, and accrued expenses:** the carrying amount corresponds to the amortised cost;
- **loans:** the carrying amount corresponds to the amortised cost value, it is close to the fair value due to variable interest rate of these instruments, which is close to the market interest rate;
- **borrowings and other debt instruments:** the carrying amount corresponds to the amortised cost value, it is close to the fair value due to variable interest rates on these instruments which are close to market interest rates;
- **receivables and liabilities from measurement of swap and cap contracts:** measured at fair value through other comprehensive income, determined by reference to instruments quoted in an active market.



23. 1. 1 Financial assets

<i>as at</i>	30 June 2024 (unaudited)	31 December 2023
Hedging financial instruments:		
Receivables from measurement of swap contracts	34 779	34 478
	34 779	34 478
Financial assets measured at amortised cost:		
Cash and cash equivalents	250 611	344 247
Loans and receivables, including:		
• Trade and other receivables	23 782	22 306
• Loans	17 240	16 922
• Other long-term investments	44 661	37 803
• Other short-term investments	3 973	8 610
	340 267	429 888
Total financial assets	375 046	464 366

As at 30 June 2024, the fair value of hedging instruments was PLN 34,779 thousand, as measured on the basis of other directly or indirectly observable prices (Level 2). The information is provided by banks and is based on reference to instruments traded on an active market.

In the reporting period ended 30 June 2024, there were no reclassifications between the fair value hierarchy levels.

Measurement of assets at amortised cost as at 30 June 2024*

<i>* Unaudited.</i>	Stage 1	Stage 2	Stage 3
Gross carrying amount	316 485	24 322	-
Cash and cash equivalents	250 611	-	-
Loans and receivables, including:			
• Trade and other receivables	-	24 322	-
• Loans	17 240	-	-
• Other long-term investments	44 661	-	-
• Other short-term investments	3 973	-	-
Impairment losses (IFRS 9)	-	(540)	-
Loans and receivables, including:			
• Trade and other receivables	-	(540)	-
Carrying amount (IFRS 9)	316 485	23 782	-

Measurement of assets at amortised cost as at 31 December 2023

	Stage 1	Stage 2	Stage 3
Gross carrying amount	407 582	25 010	-
Cash and cash equivalents	344 247	-	-
Loans and receivables, including:			
• Trade and other receivables	-	25 010	-
• Loans	16 922	-	-
• Other long-term investments	37 803	-	-
• Other short-term investments	8 610	-	-
Impairment losses (IFRS 9)	-	(2 704)	-
Loans and receivables, including:			
• Trade and other receivables	-	(2 704)	-
Carrying amount (IFRS 9)	407 582	22 306	-

23. 1. 2 Financial liabilities

	as at	30 June 2024 (unaudited)	31 December 2023
Hedging financial instruments measured at fair value:			
Liabilities from measurement of swap contracts		1 949	3 959
		1 949	3 959
Financial liabilities measured at amortised cost:			
Bank borrowings		1 654 677	1 663 544
Non-bank borrowings		17 275	16 952
Trade and other payables		188 942	128 661
Lease liabilities		58 936	58 932
Bonds		502 652	433 000
		2 422 482	2 301 089
Total financial liabilities		2 424 431	2 305 048

23. 2 Other disclosures relating to financial instruments

Security instruments

Informacja dotycząca zabezpieczeń została ujawniona w nocie 24.

Cash flow hedge accounting

On 8 February 2024, MLP Pruszków II Sp. z o.o. entered into a variable-to-fixed interest rate swap contract with Bank Polska Kasa Opieki S.A.

On 29 February 2024, MLP Czeladź Sp. z o.o. terminated its existing variable-to-fixed interest rate swap contract with BNP Paribas Bank Polska S.A. and entered into a new variable-to-fixed interest rate swap contract with the bank.

On 20 May 2024, MLP Poznań Sp. z o.o. entered into a variable-to-fixed interest rate swap contract with ING Bank Śląski S.A.

On 16 May 2024, MLP Poznań II Sp. z o.o. entered into a variable-to-fixed interest rate swap contract with ING Bank Śląski S.A.

24. Contingent liabilities and security instruments

In the period ended 30 June 2024, the Group recognised the following changes in contingent liabilities and security instruments:

- On 23 January 2024, MLP Czeladź Sp. z o.o. executed an annex to the credit facility agreement with BNP Paribas Bank Polska S.A. Under the annex, the available limit of the construction credit facility and the investment credit facility was reduced by EUR 3,267,000.00 for Building B2 and by EUR 5,330,000.00 for Building C3.
- On 25 January 2024, MLP Poznań Sp. z o.o. and ING Bank Śląski S.A. executed Annex No. 14 to the credit facility agreement of 9 February 2017, extending the facility term to 29 March 2024. Under Annex No. 15 of 22 March 2024, the term was further extended to 30 April 2024.
- On 25 January 2024, MLP Poznań II Sp. z o.o. and ING Bank Śląski S.A. executed Annex No. 11 to the credit facility agreement of 8 August 2011, extending the term of Tranche B of the construction credit facility to 29 February 2024 and the term of other credit facilities to 29 March 2024. Under Annex No. 12 of 22 March 2024, the term of the facilities was further extended to 30 April 2024.
- On 26 April 2024, MLP Group S.A. provided a surety (corporate guarantee) for a maximum amount of EUR 5,220,000.00 (VAT exclusive) to the general contractor GOLDBECK Rhomberg GmbH of Vienna to secure the liabilities of MLP Business Park Wien GmbH of Vienna related to the payment for the general contractor's services;
- On 26 April 2024, MLP Poznań Sp. z o.o. and MLP Poznań II Sp. z o.o. executed a credit facility agreement with ING Bank Śląski S.A. The following security was provided for the lender's claims under the agreement:
 - (a) joint contractual mortgage of up to EUR 40,315,287.45, securing claims under the credit facility agreement with respect to the refinancing, construction and investment credit facilities;
 - (b) contractual mortgage of up to EUR 2,100,000, securing the bank's claims under the master agreement and hedging transactions;
 - (b) contractual mortgage of up to PLN 6,000,000, securing claims under the credit facility agreement with respect to the VAT facility;
 - (d) 3 registered pledges over MLP Poznań II Sp. z o.o. shares, up to the maximum secured amount of EUR 40,315,287.45 each, and 6 financial pledges over MLP Poznań II Sp. z o.o. shares, up to the maximum secured amount of EUR 40,315,287.45 each;

- (e) registered pledge over MLP Poznań Sp. z o.o. shares, up to the maximum secured amount of EUR 40,315,287.45 each, and 2 financial pledges over MLP Poznań Sp. z o.o. shares, up to the maximum secured amount of EUR 40,315,287.45 each;
 - (f) 11 registered pledges and 22 financial pledges over MLP Poznań II Sp. z o.o.'s bank accounts, up to the maximum secured amount of EUR 40,315,287.45;
 - (g) 13 registered pledges and 26 financial pledges over MLP Poznań Sp. z o.o.'s bank accounts, up to the maximum secured amount of EUR 40,315,287.45 each, and a registered pledge and financial pledge over the VAT account, securing the VAT credit facility up to the maximum secured amount of PLN 6,000,000;
 - (h) registered pledge over a set of movables and rights of MLP Poznań Sp. z o.o., and a registered pledge over a set of movables and rights of MLP Poznań II sp. z o.o.;
 - (g) powers of attorney over the borrowers' bank accounts and holds on the borrowers' bank accounts, in accordance with the hold instruction;
 - (j) sponsor's commitment under the letter of comfort for cost overruns in the construction of Building B by MLP Poznań Sp. z o.o.;
 - (k) notarised consents to enforcement from the borrowers;
 - (l) notarised consents to enforcement from all the shareholders of the borrowers;
 - (m) assignment of rights under insurance policies, lease contracts, and construction contracts with security under the assignment agreement;
 - (n) subordination of claims and assignment under the subordination agreement.
- On 18 June 2024, ING Bank Śląski S.A. (ING Bank) issued debt repayment and security release declarations for MLP Poznań Sp. z o.o., MLP Poznań II Sp. z o.o., and subordinated creditors. The declarations confirmed the release of all security created to secure ING Bank's claims under (i) MLP Poznań Sp. z o.o.'s credit facility agreement of 9 February 2017, master agreement and IRS contracts, and (ii) MLP Poznań II Sp. z o.o.'s credit facility agreement of 8 August 2011, master agreement and IRS contracts;
 - On 26 June 2024, MLP Business Park Wien GmbH of Vienna and Erste Bank der oesterreichischen Sparkassen AG entered into a credit facility agreement for (i) a term construction credit facility of up to EUR 55,000,000, with the option to convert it into an investment credit facility, (ii) an additional term investment credit facility of up to EUR 13,000,000, and (iii) a revolving VAT facility of up to EUR 6,000,000; no security has yet been created under the credit facility agreement (negotiations are ongoing);
 - On 27 June 2024, MLP Group S.A. provided a surety for a maximum amount of EUR 1,408,744.38 to PKO Bank Polski SA Niederlassung Deutschland (PKO BP) to secure liabilities of MLP Business Park Gelsenkirchen Sp. z o.o. & Co. KG (Germany) towards PKO BP as a guarantor under guarantee/surety No. 12953020004104 of 27 June 2024, issued under German law by PKO BP on behalf of MLP Gelsenkirchen. In addition, MLP Group S.A. is required to provide a notarised consent to enforcement under Art. 777.1.5 of the Code of Civil Procedure to secure liabilities under the surety.
 - 30 June 2024 saw the expiry of a guarantee issued by Bank PKO BP S.A. to secure the performance of MLP Czeladź Sp. z o.o. 's obligations towards the Municipality of Czeladź and the State Treasury related to the conversion of a traffic circulation system in Czeladź as part of the construction of a logistics park

25. Related-party transactions

25. 1 Trade and other receivables and payables

The balances of trade and other payables and receivables from related-party transactions as at 30 June 2024* were as follows:

	Trade and other receivables	Trade and other payables ¹⁾
Parent		
The Israel Land Development Company Ltd.	246	-
Key management personnel		
MPI Services Sp. z o.o.	-	41
Agnieszka Gózdź	-	14
Monika Dobosz	-	14
	246	69
Total	492	69

* Unaudited.

The balances of trade and other receivables and payables from related-party transactions as at 31 December 2023 were as follows:

	Trade and other receivables	Trade and other payables ¹⁾
Parent		
The Israel Land Development Company Ltd.	23	-
Key management personnel		
Monika Dobosz	-	14
Total	23	14

¹⁾ Trade and other payables do not include the remuneration of key management personnel, which is disclosed in Note 28.

25. 2 Loans and borrowings

Below are presented the balances of loans to and borrowings from related parties as at 30 June 2024*.

	Loans	Borrowings
Other related parties		
Fenix Polska Sp. z o.o.	17 134	(17 275)
MLP FIN Spółka z ograniczoną odpowiedzialnością Sp.k.	106	-
Total	17 240	(17 275)

* Unaudited.

Below are presented the balances of loans to and borrowings from related parties as at 31 December 2023.

	Loans	Borrowings
Other related parties		
Fenix Polska Sp. z o.o.	16 819	(16 952)
MLP FIN Spółka z ograniczoną odpowiedzialnością Sp.k.	103	-
Total	16 922	(16 952)

25. 3 Income and expenses

Transakcje z podmiotami powiązаныmi dotyczące przychodów i kosztów za okres zakończony 30 June 2024* przedstawiają się następująco:

	Revenue	Purchase of services and cost of	Interest income	Interest expense
Parent				
The Israel Land Development Company Ltd.	(28)	-	-	-
	(28)	-	-	-
Other related parties				
Fenix Polska Sp. z o.o.	-	-	365	(370)
MLP FIN Spółka z ograniczoną odpowiedzialnością Sp.k.	1	-	3	-
	1	-	368	(370)
Key management personnel				
Radosław T. Krochta	-	(1 455)	-	-
Michael Shapiro	-	(875)	-	-
Tomasz Zabost	-	(93)	-	-
Agnieszka Gózdź	-	(871)	-	-
Monika Dobosz	-	(872)	-	-
Marcin Dobieszewski	-	(365)	-	-
Other key management personnel	-	(1 202)	-	-
	-	(5 733)	-	-
Total	(27)	(5 733)	368	(370)

* Unaudited.

Below are presented income and expenses under related-party transactions for the period ended 30 June*.

	Revenue	Purchase of services and cost of wages and salaries	Interest income	Interest expense
Parent				
The Israel Land Development Company Ltd.	50	-	-	-
	50	-	-	-
Other related parties				
Fenix Polska Sp. z o.o.	-	-	379	(391)
MLP FIN Spółka z ograniczoną odpowiedzialnością Sp.k.	1	-	4	-
	1	-	383	(391)
Key management personnel				
Radosław T. Krochta	-	(1 535)	-	-
Michael Shapiro	-	(898)	-	-
Tomasz Zabost	-	(924)	-	-
Marcin Dobieszewski	-	(870)	-	-
Monika Dobosz	-	(893)	-	-
Agnieszka Gózdź	-	(647)	-	-
Other key management personnel	-	(641)	-	-
	-	(6 408)	-	-
Total	51	(6 408)	383	(391)

* Unaudited.

Fenix Polska Sp. z o.o. jest powiązana z Grupą poprzez spółkę Cajamarca Holland B.V., która na dzień posiada 100% udziałów w Fenix Polska Sp. z o.o., oraz 42,69% udziałów w kapitale zakładowym Grupy.

26. Significant litigation and disputes

On February 19, 2024, the District Court in Warsaw issued a ruling to discontinue the proceedings in the case brought by MLP Sp. z o.o. sp. SKA (formerly MLP Tychy Sp. z o.o.) against European Bakeries Sp. z o.o. and CreditForce Holding B.V. with respect to the defendant CreditForce Holding B.V. in Houten (Netherlands).

After the date of issue of the consolidated report for the year ended 31 December 2023, there were no other changes in significant litigation and disputes described in the consolidated financial statements of the MLP Group S.A. Group for the financial year 2023.

27. Significant events during and subsequent to the reporting period

- On 22 July 2024, MLP Group S.A. provided a surety for a maximum amount of PLN 15,046,53.90 to Santander Bank Polska S.A. (Santander) to secure the liabilities of MLP Łódź II Sp. z o.o. towards Santander as a guarantor under bank guarantee No K00992/24 of 23 July 2024 issued by Santander on behalf of MLP Łódź II;
- On 1 August 2024, the Supervisory Board of the Parent reappointed the following persons to the Company's Management Board for another term of office: Radosław T. Krochta, Michael Shapiro, Monika Dobosz and Agnieszka Gózdź .

In the period from the end of the reporting period to the date of authorisation of these consolidated financial statements for issue, no events occurred which should have been but were not reflected in the accounting books of the reporting period and the consolidated financial statements of the Group.

27. 1 Impact of the political and economic situation in Ukraine on the operations of the MLP Group S.A. Group

Due to the volumes of trade with Russia and, more importantly, the EU's reliance on Russian natural resources like gas and oil, as well as the role of Russia and Ukraine as major food exporters, the imposed sanctions and Russia's retaliatory measures are having a significant impact on the global economy and are causing major shifts in the flow of raw materials and goods, particularly by reducing trade with Russia and Belarus and limiting transit between Europe and Asia through Russia, Belarus, and Ukraine. These developments are also driving changes in the logistics industry. The war in Ukraine indirectly affects GDP dynamics, including in Poland, the inflation rate, interest rates, and expectations regarding their changes, which influence consumer and business behaviours, currency exchange rates, the unemployment rate, average and median wages and incomes, as well as the fiscal and monetary policy of the European Union, including the countries where the Group's companies operate.

Retrospectively, the assessment of the impact of the war in Ukraine on the Group's operations does not indicate that it has had, or will have, a significant negative effect. Nevertheless, any adverse military developments in Ukraine could alter logistics routes and adversely impact the investment sentiment of customers, particularly in Poland and Romania, where the Group operates.

28. Variable remuneration and remuneration paid to members of management and supervisory bodies

<i>for the six months ended 30 June</i>	2024 <i>(unaudited)</i>	2023 <i>(unaudited)</i>
Fixed remuneration of the Management Board:		
Radosław T. Krochta	377	388
Michael Shapiro	286	298
Tomasz Zabost**	93	297
Marcin Dobieszewski	211	210
Monika Dobosz	283	270
Agnieszka Gózdź	282	270
	1 532	1 733

** For the period of his service on the Management Board: from 1 January to 29 February 2024.

Provision for variable remuneration of the Management Board*:

<i>for the six months ended 30 June</i>	2024 <i>(unaudited)</i>	2023 <i>(unaudited)</i>
Radosław T. Krochta	1 078	1 147
Michael Shapiro	589	600
Tomasz Zabost	-	627
Marcin Dobieszewski	154	437
Monika Dobosz	589	623
Agnieszka Gózdź	589	600
	2 999	4 034

* Total provision for variable remuneration for services and under employment contracts.

Use of previous year's provision for variable remuneration of the Management Board

<i>for the six months ended 30 June</i>	2024 <i>(unaudited)</i>	2023 <i>(unaudited)</i>
Radosław T. Krochta	-	2 327
Michael Shapiro	-	1 201
Tomasz Zabost	-	1 246
Marcin Dobieszewski	-	-
Monika Dobosz	-	1 265
Agnieszka Gózdź	-	1 226
	-	7 265

<i>for the six months ended 30 June</i>	2024 <i>(unaudited)</i>	2023 <i>(unaudited)</i>
Remuneration of the Supervisory Board:		
• Remuneration and other benefits		
Maciej Matusiak	30	30
Eytan Levy	30	30
Shimshon Marfogel	30	30
Guy Shapira	30	30
Piotr Chajderowski	30	30
Oded Setter	30	30
	180	180

Total remuneration paid to members of management and supervisory bodies

1 712 **9 178**

<i>for the six months ended 30 June</i>	2024 <i>(unaudited)</i>	2023 <i>(unaudited)</i>
Other key management personnel:		
Remuneration and other benefits paid	1 202	641
	1 202	641
Total remuneration paid to members of management and supervisory bodies and key management personnel	2 914	9 819

The note presents remuneration of members of the management and supervisory bodies for discharging the responsibilities of Management or Supervisory Board members, as well as the costs of services provided to other companies in the Group, and other management personnel.

Apart from the transactions described in the note above, members of the Management Board, the Supervisory Board and the other management personnel did not receive any other benefits from any of the Group companies.

29. Employees

<i>as at 30 June</i>	2024 <i>(unaudited)</i>	2023 <i>(unaudited)</i>
Number of employees as at	50	39

30. Information on the auditor

<i>for the six months ended 30 June</i>	2024	2023
Audit of full-year financial statements*	-	-
Audit of separate financial statements of subsidiaries	-	-
Review of the consolidated and separate interim financial statements*	40	40
Audit and review of group procedures	90	85

* The amount is the fee for the review and audit of the separate and consolidated financial statements.

Signed by the Management Board and the person responsible for keeping the accounting books with qualified digital signatures

Pruszków, 22 August 2024

MLP Group S.A. INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS

for the six months
ended 30 June 2024
prepared in accordance
with EU IFRS



IV. Interim condensed separate financial statements for the six months ended 30 June 2024

Authorisation of the interim condensed separate financial statements for issue

On 22 August 2024, the Management Board of MLP Group S.A. authorised for issue the separate financial statements (Separate Financial Statements) of MLP Group S.A. for the period from 1 January 2024 to 30 June 2024.

The Financial Statements for the period from 1 January 2024 to 30 June 2024 have been prepared in accordance with International Financial Reporting Standards as approved by the European Union (IFRS EU). In this report, information is presented in the following sequence:

1. Separate statement of profit or loss and other comprehensive income for the period from 1 January to 30 June 2024, showing a net profit of PLN 10 445 thousand.
2. Separate statement of financial position as at 30 June 2024 showing total assets and total equity and liabilities of PLN 1 493 673 thousand.
3. Separate statement of cash flows for the period from 1 January to 30 June 2024, showing a net decrease in cash of PLN 57 502 thousand.
4. Separate statement of changes in equity for the period from 1 January to 30 June 2024, showing an increase in equity of PLN 10 445 thousand.
5. Notes to the separate financial statements.

These interim condensed separate financial statements have been prepared in thousands of PLN, unless stated otherwise.

Signed with a qualified digital signature.

Pruszków, 22 August 2024

Interim condensed separate statement of profit or loss and other comprehensive income

	for	Note	6 months ended 30 June 2024 <i>(unaudited)</i>	3 months ended 30 June 2024 <i>(unaudited)</i>	6 months ended 30 June 2023 <i>(unaudited)</i>	3 months ended 30 June 2023 <i>(unaudited)</i>
Revenue		4	11 180	7 473	11 588	6 741
Other income		5	126	55	5 008	4 865
Other expenses		6	(127)	(10)	(156)	147
Operating expenses		7	(10 246)	(5 369)	(9 250)	(4 173)
Operating profit/(loss)			933	2 149	7 190	7 580
Finance income		8	40 223	20 781	34 873	18 252
Finance costs		8	(28 112)	(13 701)	(26 182)	(17 540)
Net finance income/(costs)			12 111	7 080	8 691	712
Profit/(loss) before tax			13 044	9 229	15 881	8 292
Income tax		9	(2 599)	(741)	(2 335)	(741)
Profit from continuing operations			10 445	8 488	13 546	7 551
Net profit			10 445	8 488	13 546	7 551
Net profit attributable to:						
Shareholders			10 445	8 488	13 546	7 551
Total comprehensive income			10 445	8 488	13 546	7 551
Comprehensive income attributable to:						
Shareholders			10 445	8 488	13 546	7 551
Earnings per share						
Earnings per ordinary share:						
Basic and diluted earnings per share (PLN)			0,44	0,35	0,56	0,31
- for the year attributable to holders of ordinary shares of the Parent		17				

Interim condensed separate statement of financial position

	as at	Note	30 June 2024 <i>(unaudited)</i>	31 December 2023
Non-current assets				
Intangible assets			3	7
Property, plant and equipment			1 200	933
Non-current financial assets in related entities		10	123 512	123 480
Long-term financial investments		11	1 259 391	1 085 352
Other long-term investments			965	440
Total non-current assets			1 385 071	1 210 212
Current assets				
Income tax receivable		14	2 784	1 740
Trade and other receivables		14	8 205	5 277
Cash and cash equivalents		15	97 613	155 115
Current assets other than held for sale or distribution to owners			108 602	162 132
Total current assets			108 602	162 132
TOTAL ASSETS			1 493 673	1 372 344
Equity				
		16		
Share capital			5 999	5 999
Share premium			485 312	485 312
Capital reserve			4 194	4 194
Statutory reserve funds			65 097	65 097
Retained earnings, including:			110 228	99 783
Profit (loss) brought forward			99 783	57 688
Net profit			10 445	42 095
Equity attributable to shareholders			670 830	660 385
Total equity			670 830	660 385
Non-current liabilities				
Non-bank borrowings and other debt instruments		18	486 845	592 632
Deferred tax liability		13	8 437	5 831
Total non-current liabilities			495 282	598 463
Current liabilities				
Non-bank borrowings and other debt instruments		18	325 976	111 394
Trade and other payables		20	1 585	2 102
Current liabilities other than held for sale			327 561	113 496
Total current liabilities			327 561	113 496
Total liabilities			822 843	711 959
TOTAL EQUITY AND LIABILITIES			1 493 673	1 372 344

Interim condensed separate statement of cash flows

<i>for the six months ended 30 June</i>	Note	2024 <i>(unaudited)</i>	2023 <i>(unaudited)</i>
Cash flows from operating activities			
Profit before tax		13 044	15 881
<i>Total adjustments, including:</i>		(13 246)	(16 373)
Depreciation and amortisation		145	53
Net interest		(11 368)	(12 545)
Exchange differences		1 616	1 839
Profit (loss) from investment activities		(33)	(22)
Other		(525)	(12)
Change in receivables		(2 928)	114
Change in current and other liabilities		(153)	(5 800)
Cash from operating activities		(202)	(492)
Income tax (paid)/refunded		(1 037)	(870)
Cash from operating activities		(1 239)	(1 362)
Cash flows from investing activities			
Proceeds from repayment of loans granted		50 114	211 456
Interest received		1 943	9 127
Acquisition of shares	10	(32)	(5)
Purchase of investment property, property, plant and equipment and intangible assets		(429)	(288)
Disposal of investment property, property, plant and equipment and intangible assets		142	35
Loans		(193 926)	(173 646)
Cash from investing activities		(142 188)	46 679
Cash flows from financing activities			
Proceeds from non-bank borrowings		31 878	12 178
Repayment of non-bank borrowings		-	(6 000)
Issue of bonds		177 235	130 445
Net proceeds from issue of shares and other equity instruments and contributions to equity		-	(36)
Interest paid on non-bank borrowings		(92)	(193)
Interest paid on bonds		(10 973)	(8 026)
Redemption of bonds		(110 036)	(54 708)
Payments of liabilities under financial leasing agreements		(41)	(13)
Cash from financing activities		87 971	73 647
Total cash flows, net of exchange differences		(55 456)	118 964
Effect of exchange differences on cash and cash equivalents		(2 046)	1 411
Total cash flows		(57 502)	120 375
Cash and cash equivalents at beginning of period		155 115	200 042
Cash and cash equivalents at end of period	15	97 613	320 417

Interim condensed separate statement of changes in equity

	Share capital	Share premium	Capital reserve	Statutory reserve funds	Retained earnings	Total equity attributable to Owners of the Parent	Total equity
As at 1 January 2024	5 999	485 312	4 194	65 097	99 783	660 385	660 385
<u>Comprehensive income:</u>							
Net profit/(loss)	-	-	-	-	10 445	10 445	10 445
Comprehensive income for the year ended 30 June 2024	-	-	-	-	10 445	10 445	10 445
Changes in equity	-	-	-	-	10 445	10 445	10 445
As at 30 June 2024	5 999	485 312	4 194	65 097	110 228	670 830	670 830
	Share capital	Share premium	Capital reserve	Statutory reserve funds	Retained earnings	Total equity attributable to Owners of the Parent	Total equity
As at 1 January 2023	5 999	485 348	4 194	65 097	57 688	618 326	618 326
<u>Comprehensive income:</u>							
Net profit/(loss)	-	-	-	-	13 546	13 546	13 546
Transactions with Owners of the Parent Company for the year ended 30 June 2023	-	-	-	-	13 546	13 546	13 546
Decrease in equity due to share issue	-	(36)	-	-	-	(36)	(36)
Changes in equity	-	(36)	-	-	13 546	13 510	13 510
As at 30 June 2023*	5 999	485 312	4 194	65 097	71 234	631 836	631 836

* unaudited

Notes to the separate financial statements

1. General information

1. 1 MLP Group S.A.

MLP Group S.A. (the "Company" or the "Issuer") is a listed joint-stock company registered in Poland. The Company's registered office is located at ul. 3-go Maja 8 in Pruszków, Poland.

The Company was established as a result of transformation of the state-owned enterprise Zakłady Naprawcze Taboru Kolejowego im. Bohaterów Warsaw into a state-owned joint-stock company. The deed of transformation was drawn up before a notary public on 18 February 1995. Pursuant to a resolution of the General Meeting of 27 June 2007, the Company trades as MLP Group S.A.

At present, the Company is registered with the National Court Register maintained by the District Court for the Capital City of Warsaw, 14th Commercial Division, under No. KRS 0000053299.

The Company's principal business activities comprise development, purchase and sale of own real estate, lease of own real estate, management of residential and non-residential real estate, general activities involving construction of buildings, and construction. The PKD code of the principal business activity is: 7032Z, i.e. property management services.

The Company's financial year is the same as the calendar year.

The Company was established for an indefinite period.

1. 2 MLP Group S.A. Group

The Parent of the Group is CAJAMARCA HOLLAND B.V. of the Netherlands, registered address: Locatellikade 1, 1076 AZ Amsterdam.

At the end of the reporting period, MLP Group S.A. was the parent of 59 subsidiaries: MLP Pruszków I Sp. z o.o., MLP Pruszków II Sp. z o.o., MLP Pruszków III Sp. z o.o., MLP Pruszków IV Sp. z o.o., MLP Spółka z ograniczoną odpowiedzialnością SKA, Feniks Obrót Sp. z o.o., MLP Poznań Sp. z o.o., MLP Lublin Sp. z o.o., MLP Poznań II Sp. z o.o., MLP Bieruń Sp. z o.o., MLP Bieruń I Sp. z o.o., MLP Sp. z o.o., MLP Property Sp. z o.o., MLP Teresin Sp. z o.o., MLP Business Park Poznań Sp. z o.o., MLP Fin Sp. z o.o., Lokafoop 201 Sp. z o.o. SKA, Lokafoop 201 Sp. z o.o., MLP Wrocław Sp. z o.o., MLP Gliwice Sp. z o.o., MLP Business Park Berlin I LP Sp. z o.o., MLP Czeladź Sp. z o.o., MLP Temp Sp. z o.o., MLP Dortmund LP Sp. z o.o., MLP Dortmund GP Sp. z o.o., MLP Logistic Park Germany I Sp. z o.o. & Co. KG, MLP Poznań West II Sp. z o.o., MLP Bucharest West Sp. z o.o., MLP Teresin II Sp. z o.o., MLP Bucharest West SRL, MLP Pruszków V Sp. z o.o., MLP Germany Management GmbH, MLP Wrocław West Sp. z o.o., MLP Business Park Berlin I GP sp. z o.o., MLP Łódź II sp. z o.o., MLP Poznań East sp. z o.o., MLP Schwalmtal LP sp. z o.o., MLP Schwalmtal GP sp. z o.o., MLP Pruszków VI sp. z o.o., MLP Business Park Berlin I Sp. z o.o. & Co. KG, MLP Schwalmtal Sp. z o.o. & Co. KG, MLP Business Park Wien GmbH, MLP Wrocław West I Sp. z o.o., MLP Gelsenkirchen GP Sp. z o.o., MLP Gelsenkirchen LP Sp. z o.o., MLP Gelsenkirchen Sp. z o.o. & Co. KG, MLP Gorzów Sp. z o.o., MLP Idstein GP Sp. z o.o., MLP Idstein Lp. Sp. z o.o., MLP Idstein Sp. z o.o. & Co.KG, MLP Business Park Trebur GP Sp. z o.o., MLP Business Park Trebur LP Sp. z o.o., MLP Trebur Sp. z o.o. & Co. KG, MLP Poznań West III sp. z o.o., MLP Łódź III sp. z o.o., Feniks PV sp. z o.o., MLP Bieruń West sp. z o.o., MLP Wrocław South Sp. z o.o. and MLP Bieruń II Sp. z o.o., Trebur Sp. z o.o. & Co. KG, MLP Poznań West III sp. z o.o., MLP Łódź III sp. z o.o., Feniks PV sp. z o.o., MLP Bieruń West sp. z o.o., MLP Wrocław South Sp. z o.o. and MLP Bieruń II Sp. z o.o.

For more information on subordinated entities, see Note 10.

1. 3 Management Board

As at the date of these Interim Condensed Separate financial statements, the composition of the Company's Management Board was as follows:

- Radosław T. Krochta -President of the Management Board
- Michael Shapiro -Vice President of the Management Board
- Monika Dobosz - Member of the Management Board
- Agnieszka Gózdź - Member of the Management Board

On 29 February 2024 Mr. Tomasz Zabost submitted his resignation from the function of the Management Board Member of the Company with immediate effect, without giving reasons for the resignation.

On August 1, 2024 the Supervisory Board appointed: Mr. Radosław T. Krochta, Mr. Michael Shapiro, Ms Monika Dobosz and Ms Agnieszka Gózdź to the Management Board for a new term.

1. 4 Supervisory Board

As at the date of these separate financial statements, the composition of the Company's Supervisory Board was as follows:

- Shimshon Marfogel - Chairman of the Supervisory Board
- Eytan Levy - Deputy Chairman of the Supervisory Board
- Oded Setter -Member of the Supervisory Board
- Guy Shapira -Member of the Supervisory Board
- Piotr Chajderowski -Member of the Supervisory Board
- Maciej Matusiak -Member of the Supervisory Board

2. Basis of accounting used in preparing the separate financial statements

2. 1 Statement of compliance

The Company prepared the Interim Condensed Separate Financial Statements in accordance with the accounting standards issued by the International Accounting Standards Board as endorsed by the European Union, referred to as the International Financial Reporting Standards ("EU IFRS"). The Company applied all standards and interpretations which are applicable in the European Union except for those which are awaiting approval by the European Union and those standards and interpretations which have been approved by the European Union but are not yet effective.

2. 2 Basis of accounting

These Interim Condensed Separate Financial Statements have been prepared on the assumption that the Company will continue as a going concern in the foreseeable future and in conviction that there are no circumstances which would indicate a threat to the Company's continuing as a going concern.

These separate financial statements have been prepared on the historical cost basis.

As of June 30, 2024, the short-term liabilities shown in the interim condensed standalone financial statement exceed current assets, mainly due to the reclassification of long-term financial liabilities to short-term. The company is actively pursuing the refinancing of this short-term debt with long-term debt. The company considers the risk of failing to secure this refinancing as very unlikely.

2. 3 Functional currency and presentation currency of the financial statements; rules applied to translate financial data

2. 3. 1 Functional currency and presentation currency

In Interim Condensed Separate Financial Statements all amounts are presented in the Polish złoty (PLN), rounded to the nearest thousand. The Polish złoty is the functional currency of the Company and the presentation currency of the separate financial statements.

2. 3. 2 Rules applied to translate financial data

The following exchange rates (in PLN) were used to measure items of the Interim Condensed Separate Statement of financial position denominated in foreign currencies:

Interim Condensed Separate Statement of financial position:

	30 June 2024	31 December 2023	30 June 2023
EUR	4,3130	4,3480	4,4503
USD	4,0320	3,9350	4,1066
RON	0,8665	0,8742	0,8967

2. 4 Use of estimates and judgements

The preparation of financial statements in accordance with EU IFRS requires that the Management Board makes judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are based on experience and other factors deemed reasonable under the circumstances, and their results provide a basis for judgement about carrying amounts of assets and liabilities that are not directly attributable to other sources. Actual results may differ from the estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. A change in accounting estimates is recognised in the period in which the estimate is revised, or in the current and future periods if the revised estimate relates to both the current and future periods. In material matters, the Management Board makes estimates based on opinions and valuations prepared by independent experts.

The following estimates were made for the purpose of the separate financial statements: estimate of expected credit loss (ECL) against financial assets, provision for variable salary costs for the Management Board.

3. Segment reporting

An operating segment is a separate part of the Company which is engaged in providing certain products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), and which is exposed to other risks and derives other benefits than the other segments.

The primary and sole business activity of MLP Group S.A is management of logistics space.

Pursuant to IFRS 8.4, segment reporting is presented in Note 5 to the Consolidated financial statements of the Group.

The Management Board is the chief operating decision-maker (CODM) within the Group.

3. 1. Key customers of the Company

The share of key customers in the Company's revenue was as follows:

	for the six months ended 30 June	2024 <i>(unaudited)</i>	2023 <i>(unaudited)</i>
MLP Poznań West II Sp. z o.o.		7%	32%
MLP Pruszków I Sp. z o.o.		13%	13%
MLP Pruszków III Sp. z o.o.		7%	6%
MLP Czeladź Sp. z o.o.		2%	10%
MLP Lublin Sp. z o.o.		5%	5%
MLP Gliwice Sp. z o.o.		4%	4%
MLP Łódź II Sp. z o.o.		2%	2%
MLP Pruszków IV Sp. z o.o.		2%	4%
MLP Business Park Wien GmbH		28%	0%

4. Revenue

	<i>for</i>	6 months ended 30 June 2024 <i>(unaudited)</i>	3 months ended 30 June 2024 <i>(unaudited)</i>	6 months ended 30 June 2023 <i>(unaudited)</i>	3 months ended 30 June 2023 <i>(unaudited)</i>
Property management		3 412	1 714	3 477	1 832
Project management		759	428	471	251
Advisory services		6 962	5 305	7 347	4 564
Recharge of services		47	26	293	94
Total revenue		11 180	7 473	11 588	6 741
<i>- including from related entities</i>		11 139	7 451	11 566	6 730

For more information on income from related entities 23.3.

5. Other income

<i>for</i>	6 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2023 (unaudited)
Reversal of provision for bonuses	-	-	4 865	4 865
Proceeds from sale of property, plant and equipment	33	-	22	-
Writing down expired liabilities	-	-	19	-
Reimbursement of court costs/costs incurred	4	4	-	-
Other	89	51	102	-
Other operating income	126	55	5 008	4 865

6. Other expenses

<i>for</i>	6 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2023 (unaudited)
Other operating costs	(122)	(5)	(153)	150
Donations made	(5)	(5)	(3)	(3)
Other expenses	(127)	(10)	(156)	147

7. Operating expenses

<i>for</i>	6 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2023 (unaudited)
Depreciation and amortisation	(145)	(70)	(53)	(32)
Materials and consumables used	(503)	(247)	(277)	(170)
Services	(4 701)	(2 583)	(4 405)	(1 047)
Taxes and charges	(345)	(204)	(177)	(101)
Wages and salaries	(3 205)	(1 559)	(3 274)	(2 150)
Social security and other employee benefits	(905)	(468)	(742)	(504)
Other expenses by nature	(442)	(238)	(322)	(169)
Operating expenses	(10 246)	(5 369)	(9 250)	(4 173)

The sales and general administrative expenses for the period ended 30 June 2024, amounted to PLN 10,246 thousand. The costs incurred by the Company primarily include expenses related to the operation of the Group as well as services provided to the Group.

8. Finance income and costs

<i>for</i>	6 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2023 (unaudited)
Interest on loans to related entities	37 339	19 087	30 399	15 483
Interest income from bank deposits	1	(1 189)	-	(1 705)
Interest on bank deposits	2 883	2 883	4 474	4 474
Total finance income	40 223	20 781	34 873	18 252
Interest expense on non-bank borrowings from related entities	(8 298)	(4 340)	(7 367)	(3 840)
Interest paid to state budgets	(2)	(1)	(4)	(4)
Interest on bonds	(17 625)	(9 607)	(10 477)	(5 906)
Net exchange differences	(1 616)	545	(8 014)	(7 613)
Other finance costs	(480)	(251)	(320)	(177)
Interest costs - other	(91)	(47)	-	-
Total finance costs	(28 112)	(13 701)	(26 182)	(17 540)

Negative exchange rate differences result mainly from the valuation at the end of the reporting period: receivables from loans, bonds and receivables from loans denominated in EUR.

For more information on finance income and expenses of related entities, see Note 23.3.

9. Income tax

<i>for the six months ended 30 June</i>	2024 (unaudited)	2023 (unaudited)
Temporary differences/reversal of temporary differences	2 599	2 335
Income tax	2 599	2 335

<i>for the six months ended 30 June</i>	2024 (unaudited)	2023 (unaudited)
Profit before tax	13 044	15 881
Tax at the applicable tax rate (19%)	(2 478)	(3 017)
Use of a tax loss for which no asset was created	-	745
Non-taxable income	3	1
Expenses not deductible for tax purposes	(124)	(64)
Income tax	(2 599)	(2 335)

Calculation of corporate income tax

Tax laws relating to value added tax, corporate and personal income tax, and social security contributions are frequently amended. Therefore, it is often the case that no reference can be made to established regulations or legal precedents. The laws tend to be unclear, thus leading to differences in opinions as to legal interpretation of fiscal regulations, both between different state authorities and between state authorities and businesses. Tax and other settlements (customs duties or foreign exchange settlements) may be inspected by authorities empowered to impose significant penalties, and any additional amounts assessed following an inspection must be paid with interest. Consequently, tax risk in Poland is higher than in countries with more mature tax systems.

Tax settlements may be subject to inspection over a period of five years following the end of the following tax year. As a result, the amounts disclosed in the financial statements may change at a later date, once their final amount is determined by the tax authorities.



10. Non-current financial assets in related entities

	<i>as at</i>	30 June 2024 <i>(unaudited)</i>	31 December 2023
Gross amount at beginning of period		123 480	123 465
Capital increase in MLP Business Park Wien GmbH		22	-
Acquisition of shares in MLP BIERUŃ II Sp.z o.o.		5	-
Acquisition of shares in MLP Wrocław South Sp. z o.o.		5	-
Acquisition of shares in MLP Łódź III Sp. z o.o.		-	5
Acquisition of shares in FENIKS PV Sp. z o.o.		-	5
Acquisition of shares in MLP BIERUŃ WEST Sp.z o.o.		-	5
Gross amount at end of period		123 512	123 480
Net amount at end of period		123 512	123 480

As at 30 June 2024, the Company held directly or indirectly interests in the following entities:

Entity	Country of registration	Direct and indirect equity interest		Direct and indirect voting interest	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
MLP Pruszków I Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Pruszków II Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Pruszków III Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Pruszków IV Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Poznań Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Lublin Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Poznań II Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Spółka z ograniczoną odpowiedzialnością SKA	Poland	100%	100%	100%	100%
Feniks Obrót Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Property Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Bieruń Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Bieruń I Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Teresin Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Business Park Poznań Sp. z o.o.	Poland	100%	100%	100%	100%
MLP FIN Sp. z o.o.	Poland	100%	100%	100%	100%
LOKAFOP 201 Sp. z o.o.	Poland	100%	100%	100%	100%
LOKAFOP 201 Spółka z ograniczoną odpowiedzialnością SKA	Poland	100%	100%	100%	100%
MLP Wrocław Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Gliwice Sp. z o.o.	Poland	100%	100%	100%	100%

Entity	Country of registration	Direct and indirect equity interest		Direct and indirect voting interest	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
MLP Business Park Berlin I LP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Czeladź Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Temp Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Dortmund LP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Dortmund GP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Logistic Park Germany I Sp. z o.o. & Co. KG	Germany	100%	100%	100%	100%
MLP Poznań West II Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Bucharest West Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Bucharest West SRL	Romania	100%	100%	100%	100%
MLP Teresin II Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Pruszków V Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Germany Management GmbH	Germany	100%	100%	100%	100%
MLP Wrocław West Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Business Park Berlin I GP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Łódź II Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Zgorzelec Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Schwalmtal LP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Schwalmtal GP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Pruszków VI Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Business Park Berlin I Sp. z o.o. & Co. KG	Germany	100%	100%	100%	100%
MLP Schwalmtal Sp. z o.o. & Co. KG	Germany	100%	100%	100%	100%
MLP Business Park Wien GmbH	Austria	100%	100%	100%	100%
MLP Wrocław West I Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Gelsenkirchen GP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Gelsenkirchen LP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Gelsenkirchen Sp. z o.o. & Co. KG	Germany	100%	100%	100%	100%
MLP Gorzów Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Idstein LP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Idstein GP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Idstein Sp. z o.o. & Co. KG	Germany	100%	100%	100%	100%
MLP Business Park Trebur GP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Business Park Trebur LP Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Business Park Trebur Sp. z o.o. & Co. KG	Germany	100%	100%	100%	100%
MLP Poznań West III Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Łódź III Sp. z o.o.	Poland	100%	100%	100%	100%
Feniks PV Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Bieruń West Sp. z o.o.	Poland	100%	100%	100%	100%
MLP Wrocław South Sp. z o.o. ¹⁾	Poland	100%	-	100%	-
MLP Bieruń II Sp. z o.o. ²⁾	Poland	100%	-	100%	-

¹⁾ On 27 March 2024, MLP Wrocław South Sp. z o.o. was incorporated pursuant to a notarial deed. All shares in the company were acquired by MLP Group S.A. (50 shares with a total par value of PLN 5,000). The company was registered with the National Court Register on 23 April 2024.

²⁾ On 27 March 2024, MLP Bieruń II Sp. z o.o. was incorporated pursuant to a notarial deed. All shares in the company were acquired by MLP Group S.A. (50 shares with a total par value of PLN 5,000). The company was registered with the National Court Register on 17 April 2023.

11. Long-term investments

	<i>as at</i>	30 June 2024 <i>(unaudited)</i>	31 December 2023
Long-term loans to related entities		1 259 391	1 085 352
Long-term investments		1 259 391	1 085 352

For more information on loans to related parties, see Note 23.2.

At each reporting date, the Company measures expected credit losses of a financial instrument in a way that reflects:

- a) an unbiased and probability-weighted amount of credit losses that is determined by evaluating a range of possible outcomes;
- b) time value of money and
- c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

As at 30 June 2024, there were no indications of impairment of long-term investments.

12. Change in financial assets attributable to financing and other activities

	Shares
As at 31 December 2023	123 480
Subscription for shares	32
As at 30 June 2024*	123 512

	Loan assets
As at 31 December 2023	1 085 352
Loan advanced	193 926
Repayment of a loan principal	(50 114)
Interest accrued	37 337
Payment of interest on loan	(1 943)
Realised foreign exchange gains/(losses)	(777)
Change in carrying amount	(4 390)
As at 30 June 2024*	1 259 391

* *unaudited*

13. Deferred tax

	Deferred tax assets		Deferred tax liabilities		Net amount	
	30 June	31 December	30 June	31 December	30 June	31 December
	2024	2023	2024	2023	2024	2023
<i>as at</i>						
	<i>(unaudited)</i>		<i>(unaudited)</i>		<i>(unaudited)</i>	
Loans and non-bank borrowings	-	-	16 222	11 789	16 222	11 789
Tax loss	6 683	4 668	-	-	(6 683)	(4 668)
Other	-	-	228	40	228	40
Bonds	1 330	1 330	-	-	(1 330)	(1 330)
Deferred tax assets / liabilities	8 013	5 998	16 450	11 829	8 437	5 831

	1 January 2023	changes	31 December 2023	changes	30 June 2024
		recognised in profit or loss		recognised in profit or loss	
					<i>(unaudited)</i>
Loans and non-bank borrowings	5 036	6 753	11 789	4 433	16 222
Tax loss	(467)	(4 201)	(4 668)	(2 015)	(6 683)
Other	(3 369)	3 409	40	188	228
Bonds	(416)	(914)	(1 330)	-	(1 330)
	784	5 047	5 831	2 606	8 437

MLP Group S.A. does not recognise deferred tax related to its shares in subsidiaries as the Company fully controls its subsidiaries and does not expect to sell its interests in subsidiaries in the foreseeable future.

Based on the tax budgets prepared by the Company, the Management Board considers it justified to recognise a deferred tax asset on tax loss.

14. Trade and other receivables

	<i>as at</i> 30 June 2024	31 December
	<i>(unaudited)</i>	2023
Trade receivables from related entities	6 370	3 450
Trade receivables from other entities	55	25
Taxes and social security receivables	184	151
Prepayments and accrued income	1 371	1 613
Other	225	38
Trade and other receivables	8 205	5 277
Income tax receivable	2 784	1 740
Short-term receivables	10 989	7 017

For more information on receivables from related entities, see Note 23.

The Company uses the impairment loss matrix to calculate expected credit losses. In order to determine expected credit losses, trade receivables were grouped on the basis of similarity between credit risk characteristics and past due periods. The Company concluded that it had the following homogeneous groups of receivables from subsidiaries.

Days past due of trade and other receivables as well as impairment losses are presented in the table below.

	30 June 2024*		31 December 2023	
	Gross receivables	Impairment losses	Gross receivables	Impairment losses
Not past due	5 726	-	2 820	-
Past due from 1 to 90 days	276	-	192	-
Past due from 91 to 180 days	265	-	45	-
Past due over 180 days	383	-	456	-
Total receivables	6 650	-	3 513	-

**unaudited*

15. Cash and cash equivalents

	<i>as at</i> 30 June 2024	31 December
	<i>(unaudited)</i>	2023
Cash in hand	3	7
Cash at banks	97 610	36 299
Short-term deposits	-	118 809
Cash and cash equivalents in the separate statement of financial position	97 613	155 115
Cash and cash equivalents in the separate statement of cash flows	97 613	155 115

The Company has no restricted cash.

Impairment losses on cash and cash equivalents were determined separately for each balance held with the financial institutions. Credit risk was assessed using external credit ratings and publicly available information on default rates set by external agencies for a given rating. The analysis showed that the credit risk of the assets as at the reporting date was low. The Company used the practical expedients permitted under the standard, and the impairment loss was determined on the basis of 12-month expected credit losses. All banks with which the Company holds cash have investment grade ratings.

The main bank where the Company maintains its cash and short-term deposits is a bank with an investment rating of A+ (80%).

16. Equity

16. 1 Share capital

Share capital	<i>as at</i> 30 June 2024 <i>(unaudited)</i>	31 December 2023
Series A ordinary shares	11 440 000	11 440 000
Series B ordinary shares	3 654 379	3 654 379
Series C ordinary shares	3 018 876	3 018 876
Series D ordinary shares	1 607 000	1 607 000
Series E ordinary shares	1 653 384	1 653 384
Series F ordinary shares	2 621 343	2 621 343
Ordinary shares – total	23 994 982	23 994 982
Par value per share	0,25	0,25

As at 30 June 2024, the Parent's share capital amounted to PLN 5,998,745.5 and was divided into 23,994,982 shares conferring 23,994,982 voting rights in the Company. The par value per share is PLN 0.25 and the entire capital has been paid up.

Changes in the share capital in the reporting period:

<i>as at</i>	30 June 2024		31 December 2023	
	number of shares	Par value	number of shares	Par value
Number/value of shares at beginning of period	23 994 982	5 999	23 994 982	5 999
Issue of shares	-	-	-	-
Number/value of shares at end of period	23 994 982	5 999	23 994 982	5 999

16. 1. 1 Shareholders holding directly, or by subsidiaries, at least 5% of total voting rights in the Company

To the best of the Management Board's knowledge and belief, there were no changes in direct holdings of 5% or more of total voting rights in the Company in the period from the date of issue of the most recent periodic report to the reporting date, and as at 30 June 2024 the holdings were as follows:

Shareholder	Number of shares and voting rights	% direct interest in share capital and voting rights
CAJAMARCA Holland BV	10 242 726	42,69%
Other shareholders	4 248 915	17,72%
Israel Land Development Company Ltd.	3 016 329	12,57%
THESINGER LIMITED	1 771 320	7,38%
Allianz OFE	1 713 881	7,14%
Generali Powszechne Towarzystwo Emerytalne S.A.	1 591 360	6,63%
GRACECUP TRADING LIMITED	641 558	2,67%
MIRO LTD. ¹⁾	617 658	2,57%
Shimshon Marfogel	149 155	0,62%
Oded Setter	2 080	0,01%
Total	23 994 982	100,00%

¹⁾ On 26 January 2024, the merger of MIRO HOLDINGS LIMITED (acquiring company) with MIRO LTD (acquired company) was registered. As a result of this transaction, from 26 January 2024, the shareholder of MLP Group S.A. is MIRO HOLDINGS LIMITED.

16. 1. 2 Shares and rights to shares of MLP Group S.A. held by members of management and supervisory bodies

As at 30 June 2024, Michael Shapiro, Vice President of the Management Board, held indirectly, through his fully-controlled company MIRO Ltd.(MIRO HOLDINGS LIMITED as at day of issuing financial statements), a 2.57% interest in MLP Group S.A.'s share capital, and, through a 25% interest in the share capital held by MIRO Ltd. in Cajamarca Holland B.V., Mr Shapiro was the beneficial owner of 10.67% of the share capital of MLP Group S.A. In total, Mr Shapiro was the beneficial owner of a 13.24% interest in the share capital of MLP Group S.A.

As at 30 June 2024, Shimshon Marfogel, Chairman of the Supervisory Board, held directly, through the Company shares acquired in September 2017, 0.62% of the Company's share capital.

As at 30 June 2024, Oded Setter, member of the Supervisory Board, held directly, through the Company shares acquired in September 2021, October 2021, January 2022, March 2022 and June 2022, 0.0087% of the Company's share capital.

Eytan Levy holds indirectly 10,67% of the share capital of MLP Group S.A.: Mr Levy holds 100% interest in N Towards the Next Millenium Ltd. The company holds 33.33% (1/3) of the share capital of RRN Holdings Ltd, which holds 75% of the share capital of Cajamarca Holland B.V. Mr Levy is the beneficial owner of 10,67% of the share capital of MLP Group S.A.

The other members of the Supervisory Board have no direct holdings in the Company's share capital.

16. 2 Capital reserve

The capital reserve was created from profit earned in 2010. (PLN 1470 thousand) and profit earned in 2012 (PLN 2,724 thousand).

17. Earnings per share

Earnings per share for each reporting period are calculated as the quotient of net profit (loss) for the period and the weighted average number of shares outstanding in the reporting period. Diluted earnings per share for each period are calculated as quotient of the net profit/(loss) the period by the sum of the weighted average number of ordinary shares in the reporting period and all potential dilutive shares.

<i>for</i>	6 months ended 2024 (unaudited)	3 months ended 2024 (unaudited)	6 months ended 2023 (unaudited)	3 months ended 2023 (unaudited)
Net profit/ (loss) for period	10 445	8 488	13 546	7 551
Number of outstanding shares	23 994 982	23 994 982	23 994 982	23 994 982
Weighted average number of outstanding shares	23 994 982	23 994 982	23 994 982	23 994 982
Earnings per share for period (PLN per share):				
- basic	0,44	0,35	0,56	0,31
- diluted	0,44	0,35	0,56	0,31

There were no dilutive factors in the presented periods.

18. Non-bank borrowings and other debt instruments

18. 1 Non-current liabilities

<i>as at</i>	30 June 2024 (unaudited)	31 December 2023
Bonds	176 833	321 752
Liabilities under lease of vehicles	582	231
Borrowings from related entities	309 430	270 649
Non-current liabilities under non-bank borrowings and other debt instruments	486 845	592 632

18. 2 Current liabilities

	<i>as at</i>	30 June 2024	31 December
		<i>(unaudited)</i>	2023
Bonds		325 819	111 249
Liabilities under lease of vehicles		157	145
Current liabilities under non-bank borrowings and other debt instruments		325 976	111 394

For more information on borrowings from related entities, see Note 23.2.

18. 3 Change in financial liabilities attributable to financing and other activities

	<i>Bonds</i>
As at 31 December 2023	433 001
Issue of bonds	177 236
Redemption of bonds	(110 036)
Interest accrued on bonds	17 625
Interest paid on bonds	(10 973)
Change in carrying amount	(4 201)
Amount as at 30 June 2024 *	502 652

	<i>Borrowings from related entities</i>
As at 31 December 2023	270 649
Increase in non-bank borrowings	31 879
Interest accrued	8 299
Unrealised foreign exchange gains/(losses)	(1 397)
Amount as at 30 June 2024 *	309 430

**unaudited*

18. 4 Liabilities under bonds

Instrument	currency	nominal value	maturity date	interest rate	guarantees and collateral	Listing venue
Public bonds – Series C	EUR	45 000 000	19.02.2025	6M EURIBOR + margin	<i>none</i>	Catalyst
Public bonds – Series F	EUR	29 000 000	26.05.2025	6M EURIBOR + margin	<i>none</i>	Catalyst
Public bonds – Series G ¹⁾	EUR	41 000 000	04.12.2026	3M EURIBOR + margin	<i>none</i>	Catalyst

On 21 January 2024, the Company redeemed Series E bonds with a total nominal value of EUR 2,000,000, i.e. at maturity.

On 27 February 2024, the Company partially redeemed series D bonds with a total nominal value of EUR 8,600,000, i.e. before their redemption date. On 17 May 2024, the Company redeemed remaining series D bonds with a total nominal value of EUR 11,400,000, i.e. at maturity.

¹⁾ On 8 March 2024, the Company issued Series G bonds with a total nominal value of EUR 41,000,000.



18. 5 Non-bank borrowings not secured on the Company's assets

Loan from	effective interest currency rate (%)		as at		30 June 2024*		31 December 2023	
			matures in	in foreign currency	in PLN	matures in	in foreign currency	in PLN
LOKAFOP 201 Sp. z o.o. S.K.A.	PLN	3M WIBOR + margin	2025	-	13 686	2025	-	13 312
LOKAFOP 201 Sp. z o.o. S.K.A.	PLN	3M EURIBOR + margin	2029	-	62	2029	-	-
MLP BIERUŃ Sp. z o.o.	PLN	3M EURIBOR + margin	2027	7	30	2027	7	30
MLP BIERUŃ Sp. z o.o.	EUR	3M EURIBOR + margin	2028	33	141	2028	32	138
MLP BIERUŃ Sp. z o.o.	EUR	3M EURIBOR + margin	2029	66	285	2029	-	-
MLP BIERUŃ Sp. z o.o.	EUR	1M EURIBOR + margin	2029	-	291	2029	-	-
MLP PRUSZKÓW I Sp. z o.o.	PLN	3M EURIBOR + margin	2026	316	1 364	2026	310	1 347
MLP PRUSZKÓW I Sp. z o.o.	EUR	3M WIBOR + margin	2027	16 441	70 908	2027	15 999	69 563
MLP PRUSZKÓW I Sp. z o.o.	EUR	3M WIBOR + margin	2025	7 792	33 606	2025	7 637	33 206
MLP PRUSZKÓW I Sp. z o.o.	EUR	3M WIBOR + margin	2025	552	2 382	2025	541	2 351
MLP PRUSZKÓW I Sp. z o.o.	EUR	3M EURIBOR + margin	2029	207	891	2029	-	-
MLP PRUSZKÓW I Sp. z o.o.	EUR	3M EURIBOR + margin	2026	-	50 233	2026	-	48 735
MLP PRUSZKÓW I Sp. z o.o.	PLN	3M EURIBOR + margin	2027	-	3 460	2027	-	3 323
MLP PRUSZKÓW I Sp. z o.o.	PLN	3M EURIBOR + margin	2025	-	9 208	2025	-	8 970
MLP PRUSZKÓW I Sp. z o.o.	PLN	3M WIBOR + margin	2029	-	3 435	2029	-	-
MLP TEMP Sp. z o.o.	PLN	3M EURIBOR + margin	2027	2 366	10 206	2027	2 312	10 052
MLP TEMP Sp. z o.o.	EUR	3M WIBOR + margin	2027	66	284	2027	64	278
MLP TEMP Sp. z o.o.	EUR	3M WIBOR + margin	2028	211	911	2028	203	884
MLP TEMP Sp. z o.o.	EUR	3M WIBOR + margin	2025	1 187	5 120	2025	1 160	5 042
MLP TEMP Sp. z o.o.	EUR	3M WIBOR + margin	2029	33	142	2029	-	-
MLP TEMP Sp. z o.o.	EUR	3M WIBOR + margin	2027	-	198	2027	-	190
MLP TEMP Sp. z o.o.	PLN	3M EURIBOR + margin	2029	-	119	2029	-	-
MLP PRUSZKÓW III Sp. z o.o.	PLN	3M WIBOR + margin	2027	4 934	21 279	2027	4 790	20 829
MLP PRUSZKÓW III Sp. z o.o.	EUR	3M WIBOR + margin	2027	-	3 361	2027	-	3 233
MLP BUSINESS PARK BERLIN I LP Sp. z o.o.	PLN	3M EURIBOR + margin	2027	-	116	2027	-	112
MLP BUSINESS PARK BERLIN I LP Sp. z o.o.	PLN	3M EURIBOR + margin	2029	-	15	2029	-	-
MLP POZNAŃ II Sp. z o.o.	PLN	3M EURIBOR + margin	2029	685	2 954	2029	-	-
MLP POZNAŃ II Sp. z o.o.	EUR	3M EURIBOR + margin	2024	2 021	8 716	2024	-	-

Loan from	effective interest currency rate (%)	as at matures in	30 June 2024*		matures in	31 December 2023	
			in foreign currency	in PLN		in foreign currency	in PLN
MLP POZNAŃ II Sp. z o.o.	EUR 3M EURIBOR + margin	2029	-	10 060	2029	-	-
Feniks Obrót Sp. z o.o.	PLN 3M EURIBOR + margin	2027	-	13 257	2027	-	12 738
Feniks Obrót Sp. z o.o.	PLN 3M EURIBOR + margin	2029	-	1 035	2029	-	-
MLP PRUSZKÓW IV Sp. z o.o.	PLN 3M EURIBOR + margin	2027	3 523	15 195	2027	3 421	14 873
MLP PRUSZKÓW IV Sp. z o.o.	EUR 3M EURIBOR + margin	2027	-	8 247	2027	-	7 933
MLP TERESIN II Sp. z o.o.	PLN 3M EURIBOR + margin	2027	-	407	2027	-	391
MLP TERESIN II Sp. z o.o.	PLN 3M EURIBOR + margin	2029	-	94	2029	-	-
MLP DORTMUND LP Sp. z o.o.	PLN 3M EURIBOR + margin	2028	87	376	2028	85	368
MLP DORTMUND LP Sp. z o.o.	EUR 3M EURIBOR + margin	2029	6	25	2029	-	-
MLP LOGISTIC PARK GERMANY I SP.Z O.O.& CO KG	EUR 3M EURIBOR + margin	2028	3 652	15 751	2028	2 648	11 514
MLP PROPERTY Sp. z o.o.	EUR 3M EURIBOR + margin	2028	295	1 274	2028	285	1 237
MLP PROPERTY Sp. z o.o.	EUR 3M EURIBOR + margin	2029	15	64	2029	-	-
MLP PROPERTY Sp. z o.o.	EUR 3M EURIBOR + margin	2029	-	26	2029	-	-
MLP BIERUŃ I Sp. z o.o.	PLN 3M EURIBOR + margin	2029	4	19	2029	-	-
MLP Spółka z ograniczoną odpowiedzialnością S.K.A.	EUR 3M EURIBOR + margin	2029	-	88	2029	-	-
MLP DORTMUND GP Sp. z o.o.	PLN 3M EURIBOR + margin	2029	-	40	2029	-	-
MLP SCHWALMTAL GP Sp. z o.o.	PLN 3M EURIBOR + margin	2029	8	35	2029	-	-
MLP GELSENKIRCHEN GP Sp. z o.o.	EUR 3M EURIBOR + margin	2029	2	10	2029	-	-
MLP IDSTEIN GP Sp. z o.o.	EUR 3M EURIBOR + margin	2029	1	4	2029	-	-
MLP IDSTEIN GP Sp. z o.o.	EUR 3M EURIBOR + margin	2029	-	15	2029	-	-
MLP BUSINESS PARK TREBUR GP Sp. z o.o.	PLN 3M EURIBOR + margin	2029	-	5	2029	-	-
Total			44 510	309 430		39 494	270 649

*unaudited

19. Employee benefit obligations

<i>as at</i>	30 June 2024 <i>(unaudited)</i>	31 December 2023
Special fund accounts	-	-
Provision for variable remuneration	-	-
Employee benefit obligations	-	-

20. Trade and other payables

<i>as at</i>	30 June 2024 <i>(unaudited)</i>	31 December 2023
Trade payables to related entities	199	206
Trade payables to other entities	732	527
Taxes and social security payable	626	716
Accrued expenses	-	551
Investment and other commitments	28	102
Trade and other payables	1 585	2 102
Current liabilities	1 585	2 102

For information on liabilities to related parties, see Note 23.

The table below presents days past due of trade and other payables:

<i>as at</i>	30 June 2024 <i>(unaudited)</i>	31 December 2023
Not past due	873	1 116
Past due from 1 to 90 days	86	210
Past due from 91 to 180 days	-	60
Past due over 180 days	-	-
Total trade and other payables	959	1 386

Trade payables are non-interest bearing and are typically settled within 30 to 60 days.

Amounts resulting from the difference between input and output value added tax are paid to the relevant tax authorities in the periods prescribed by the relevant tax laws. Interest payable is generally settled on the basis of accepted interest notes.

21. Financial instruments

21. 1 Measurement of financial instruments

The fair value of financial assets and financial liabilities as at 30 June 2024 and 31 December 2023 was equal to the respective amounts disclosed in the separate statement of financial position.

The following assumptions were made for the purpose of fair value measurement:

- cash and cash equivalents: the carrying amount corresponds to the amortised cost value,
- trade receivables, other receivables, trade payables, and accrued expenses: the carrying amount corresponds to the amortised cost,
- loans: the carrying amount corresponds to the amortised cost value, it is close to the fair value due to variable interest rate of these instruments, which is close to the market interest rate,
- non-bank borrowings: the carrying amount corresponds to the amortised cost value, it is close to the fair value due to variable interest rates on these instruments which are close to market interest rates,
- bonds: the carrying amount corresponds to the amortised cost value, it is close to the fair value due to variable interest rate of these instruments, which is close to the market interest rate,

Financial assets are classified by the Company into the following categories:

- measured at amortised cost;
- measured at fair value through profit or loss;
- measured at fair value through other comprehensive income.

Debt instruments held to collect contractual cash flows which comprise solely payments of principal and interest ("SPPI") are measured at amortised cost.

Debt instruments giving rise to cash flows which are solely payments of principal and interest and which are held to collect contractual cash flows and for sale are measured at fair value through other comprehensive income. Instruments that do not qualify for measurement at amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. Below is presented the structure of the Financial Instruments by category of instruments listed above.

21. 1. 1 Financial assets

	<i>as at</i>	30 June 2024	31 December 2023
		<i>(unaudited)</i>	
Financial assets measured at amortised cost:			
Cash and cash equivalents		97 613	155 115
Loans and receivables, including:			
• Trade and other receivables		6 650	3 513
• Loans		1 259 391	1 085 352
Total financial assets measured at amortised cost		1 363 654	1 243 980
Total financial assets		1 363 654	1 243 980

Measurement of assets at amortised cost as at 30 June 2024*:

	Stage 1	Stage 2	Stage 3
Gross carrying amount	1 357 004	6 650	-
Cash and cash equivalents	97 613	-	-
Loans and receivables, including:			
• Trade and other receivables	-	6 650	-
• Loans	1 259 391	-	-
Impairment losses (IFRS 9)	-	-	-
Carrying amount (IFRS 9)	1 357 004	6 650	-

**unaudited*

Measurement of assets at amortised cost as at 31 December 2023 roku:

	Stage 1	Stage 2	Stage 3
Gross carrying amount	1 240 467	3 513	-
Cash and cash equivalents	155 115	-	-
Loans and receivables, including:			
• Trade and other receivables	-	3 513	-
• Loans	1 085 352	-	-
Impairment losses (IFRS 9)	-	-	-
Carrying amount (IFRS 9)	1 240 467	3 513	-

21. 1. 2 Financial liabilities

	<i>as at</i>	30 June 2024	31 December 2023
		<i>(unaudited)</i>	
Financial liabilities measured at amortised cost:			
Non-bank borrowings		309 430	270 649
Trade and other payables		959	1 386
Bonds		502 652	433 001
Lease liabilities		739	376
Total financial liabilities measured at amortised cost		813 780	705 412
Total financial liabilities		813 780	705 412

22. Contingent liabilities and security instruments

The contingent liabilities and security instruments disclosed in the separate financial statements for 2023 did not change in the six months ended 30 June 2024 and remain effective as at 30 June 2024.

23. Related-party transactions

23. 1 Trade and other receivables and payables

The balances trade and other payables and receivables under related-party transactions as at 30 June 2024* were as follows:

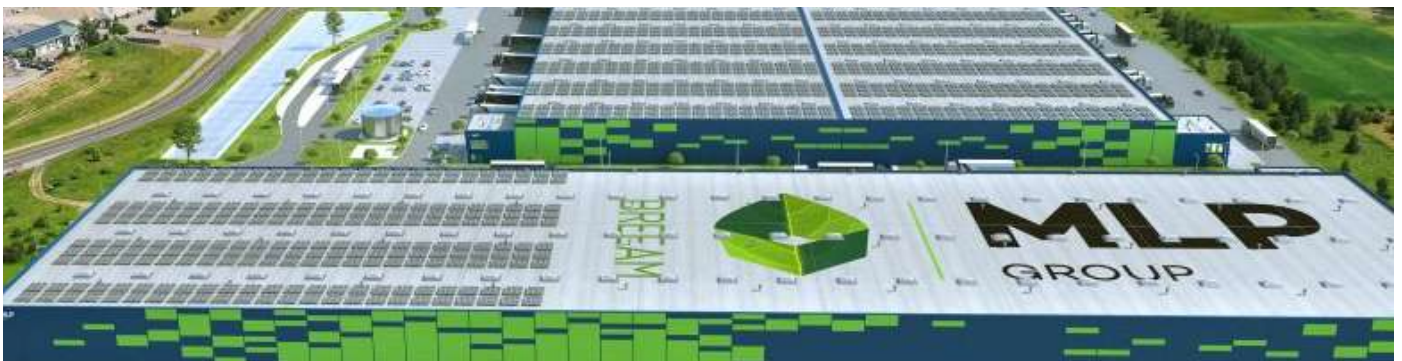
	Trade and other receivables	Trade and other payables
Parent		
The Israel Land Development Company Ltd., Tel-Awiw	246	-
Other related parties		
MLP Pruszków I Sp. z o.o.	288	-
MLP Pruszków II Sp. z o.o.	83	-
MLP Pruszków III Sp. z o.o.	153	-
MLP Pruszków IV Sp. z o.o.	49	-
MLP Poznań Sp. z o.o.	670	-
MLP Poznań II Sp. z o.o.	29	-
MLP Lublin Sp. z o.o.	124	-
MLP Teresin Sp. z o.o.	20	-
Feniks Obrót Sp. z o.o. (MLP Energy Sp. z o.o.)	(22)	-
MLP Wrocław Sp. z o.o.	129	-
MLP Czeladź Sp. z o.o.	50	-
MLP Gliwice Sp. z o.o.	167	-
MLP Business Park Poznań Sp. z o.o.	35	-
MLP Poznań West II Sp. z o.o.	153	-
MLP Pruszków V Sp. z o.o.	95	-
MLP Wrocław West Sp. z o.o.	22	-
MLP Łódź II Sp. z o.o.	52	-
MLP Zgorzelec Sp. z o.o.	25	-
MLP Pruszków VI Sp. z o.o.	24	-
MLP Logistic Park Germany I Sp. z o.o. & Co KG.	-	199
MLP Bucharest West SRL	704	-
MLP Germany Management GmbH	21	-
MLP Business Park Wien GmbH	3 192	-
MLP Poznań West III Sp. z o.o.	5	-
MLP Łódź III Sp. z o.o.	38	-
MLP Bieruń West Sp. z o.o.	18	-
Total	6 370	199

* *unaudited*

Below are presented the balances of loans to and non-bank borrowings from related parties as at 31 December 2023:

	Trade and other receivables	Trade and other payables
Parent		
The Israel Land Development Company Ltd., Tel-Awiw	23	-
Other related parties		
MLP Pruszków I Sp. z o.o.	291	-
MLP Pruszków II Sp. z o.o.	85	-
MLP Pruszków III Sp. z o.o.	160	-
MLP Pruszków IV Sp. z o.o.	74	-
MLP Pruszków V Sp. z o.o.	93	-
MLP Poznań Sp. z o.o.	39	-
MLP Poznań II Sp. z o.o.	36	-
MLP Lublin Sp. z o.o.	343	-
MLP Teresin Sp. z o.o.	168	-
Feniks Obrót Sp. z o.o. (MLP Energy Sp. z o.o.)	35	-
MLP Wrocław Sp. z o.o.	323	-
MLP Czeladź Sp. z o.o.	61	-
MLP Gliwice Sp. z o.o.	312	-
MLP Property Sp. z o.o.	4	-
MLP Business Park Poznań Sp. z o.o.	103	-
LOKAFOP 201 Spółka z ograniczoną odpowiedzialnością SKA	4	-
MLP Bieruń Sp. z o.o.	4	-
MLP Bieruń I Sp. z o.o.	4	-
MLP Sp. z o.o.	4	-
MLP FIN Sp. z o.o.	4	-
LOKAFOP 201 Sp. z o.o.	4	-
MLP Business Park Berlin I LP Sp. z o.o.	2	-
MLP Spółka z ograniczoną odpowiedzialnością SKA	4	-
MLP Poznań West II Sp. z o.o.	185	-
MLP Bucharest West Sp. z o.o.	4	-
MLP Dortmund LP Sp. z o.o.	4	-
MLP Dortmund GP Sp. z o.o.	4	-
MLP Teresin II Sp. z o.o.	-	1
MLP Wrocław West Sp. z o.o.	35	-
MLP Łódź II Sp. z o.o.	93	-
MLP Łódź III Sp. z o.o.	25	1
MLP Zgorzelec Sp. z o.o.	36	1
MLP Pruszków VI Sp. z o.o.	23	-
MLP Schwalmtal GP Sp. z o.o.	4	-
MLP Gorzów Sp. z o.o.	28	-
MLP Wrocław West I Sp. z o.o.	4	-

	Trade and other receivables	Trade and other payables
MLP Bieruń West Sp z o.o.	16	-
MLP Idstein GP Sp. z o.o.	4	-
MLP Idstein LP Sp. z o.o.	4	-
MLP Business Park Trebur LP Sp. z o.o.	4	-
Fenix PV Sp. z o.o.	1	-
MLP Bucharest West SRL	557	201
MLP Germany Management GmbH	10	-
MLP Poznań West III Sp. z o.o.	26	1
MLP FIN Sp. z o.o. Spółka komandytowa	203	-
Fenix Polska Sp. z o.o.	-	1
Total	3 450	206



23. 2 Loans and non-bank borrowings

Below are presented the balances of loans to and non-bank borrowings from related parties as at 30 June 2024*:

	Loans	Non-bank borrowings
Other related parties		
MLP Pruszków I Sp. z o.o.	-	175 487
MLP Pruszków II Sp. z o.o.	32 497	-
MLP Pruszków III Sp. z o.o.	-	24 640
MLP Pruszków IV Sp. z o.o.	5 952	23 442
MLP Poznań Sp. z o.o.	20 481	-
MLP Poznań II Sp. z o.o.	-	21 730
Feniks Obrót Sp. z o.o. (MLP Energy Sp. z o.o.)	-	14 292
MLP Wrocław Sp. z o.o.	9 793	-
MLP Czeladź Sp. z o.o.	42 234	-
MLP Gliwice Sp. z o.o.	25 263	-
MLP Property Sp. z o.o.	-	1 364
MLP Business Park Poznań Sp. z o.o.	49 414	-
MLP Temp Sp. z o.o.	-	16 980
LOKAFOP 201 Spółka z ograniczoną odpowiedzialnością SKA	-	13 748
MLP Bieruń Sp. z o.o.	-	747
MLP Bieruń I Sp. z o.o.	1 850	19
MLP Sp. z o.o.	22	-
MLP FIN Sp. z o.o.	132	-
LOKAFOP 201 Sp. z o.o.	22	-
MLP Business Park Berlin I LP Sp. z o.o.	-	116
MLP Spółka z ograniczoną odpowiedzialnością SKA	-	88
MLP Poznań West II Sp. z o.o.	66 339	-
MLP Bucharest West Sp. z o.o.	22 868	-
MLP Dortmund LP Sp. z o.o.	62	401
MLP Dortmund GP Sp. z o.o.	36	40
MLP Teresin II Sp. z o.o.	-	501
MLP Pruszków V Sp. z o.o.	93 530	-
MLP Wrocław West Sp. z o.o.	81 065	-
MLP Łódź II Sp. z o.o.	83 760	-
MLP Zgorzelec Sp. z o.o.	32 835	-
MLP Pruszków VI Sp. z o.o.	87 081	-
MLP Business Park Berlin I GP Sp. z o.o.	99	-
MLP Schwalmtal LP Sp. z o.o.	44	-
MLP Schwalmtal GP Sp. z o.o.	63	35
MLP Wrocław West I Sp. z o.o.	368	-
MLP Gelsenkirchen LP Sp. z o.o.	29	10
MLP Gelsenkirchen GP Sp. z o.o.	34	-
MLP Gorzów Sp. z o.o.	68 782	-
MLP Idstein GP Sp. z o.o.	-	19
MLP Idstein LP Sp. z o.o.	50	-
MLP Business Park Trebur GP Sp. z o.o.	2	5
MLP Business Park Trebur LP Sp. z o.o.	12	-
MLP Poznań West III Sp. z o.o.	17 313	-
MLP Łódź III Sp. z o.o.	47 539	-
Feniks PV Sp. z o.o.	5	-
MLP Bieruń West Sp. z o.o.	33 362	-
MLP FIN Sp. z o.o. Spółka komandytowa	106	-

	Loans	Non-bank borrowings
Fenix Polska Sp. z o.o.	6 392	-
MLP Logistic Park Germany I Sp. z o.o. & Co KG.	-	15 766
MLP Bucharest West SRL	56 817	-
MLP Germany Management GmbH	23 339	-
MLP Schwalmtal Sp. z o.o. & Co. KG	6 231	-
MLP Business Park Berlin I Sp. z o.o. & Co. KG	27 911	-
MLP Business Park Wien GmbH	136 572	-
MLP Gelsenkirchen Sp. z o.o. & Co. KG	86 202	-
MLP Idstein Sp. z o.o. & Co.KG	38 656	-
MLP Trebur Sp. z o.o. & Co.KG	54 227	-
Total	1 259 391	309 430

**unaudited*



Below are presented the balances of loans to and non-bank borrowings from related parties as at 31 December 2023:

	Loans	Non-bank borrowings
Other related parties		
MLP Pruszków I Sp. z o.o.	-	167 495
MLP Pruszków II Sp. z o.o.	31 805	-
MLP Pruszków III Sp. z o.o.	-	24 062
MLP Pruszków IV Sp. z o.o.	5 815	22 806
MLP Pruszków V Sp. z o.o.	75 353	-
MLP Poznań Sp. z o.o.	4 119	-
MLP Poznań II Sp. z o.o.	196	-
Feniks Obrót Sp. z o.o. (MLP Energy Sp. z o.o.)	-	12 738
MLP Wrocław Sp. z o.o.	9 584	-
MLP Czeladź Sp. z o.o.	41 272	-
MLP Gliwice Sp. z o.o.	22 989	-
MLP Property Sp. z o.o.	-	1 237
MLP Business Park Poznań Sp. z o.o.	46 320	-
MLP Temp Sp. z o.o.	-	16 446
LOKAFOP 201 Spółka z ograniczoną odpowiedzialnością SKA	-	13 312
MLP Bieruń Sp. z o.o.	-	168
MLP Bieruń I Sp. z o.o.	33 778	-
MLP Sp. z o.o.	21	-
MLP FIN Sp. z o.o.	118	-
LOKAFOP 201 Sp. z o.o.	21	-
MLP Business Park Berlin I LP Sp. z o.o.	-	112
MLP Poznań West II Sp. z o.o.	65 092	-
MLP Bucharest West Sp. z o.o.	22 450	-
MLP Dortmund LP Sp. z o.o.	99	368
MLP Teresin II Sp. z o.o.	-	391
MLP Wrocław West Sp. z o.o.	80 652	-
MLP Łódź II Sp. z o.o.	88 077	-
MLP Zgorzelec Sp. z o.o.	17 111	-
MLP Pruszków VI Sp. z o.o.	82 553	-
MLP Business Park Berlin I GP Sp. z o.o.	107	-
MLP Schwalmtal LP Sp. z o.o.	57	-
MLP Schwalmtal GP Sp. z o.o.	61	-
MLP Wrocław West I Sp. z o.o.	348	-
MLP Gelsenkirchen GP Sp. z o.o.	48	-
MLP Gelsenkirchen LP Sp. z o.o.	48	-
MLP Gorzów Sp. z o.o.	47 191	-
MLP Idstein LP Sp. z o.o.	62	-
MLP Business Park Trebur GP Sp. z o.o.	17	-
MLP Business Park Trebur LP Sp. z o.o.	17	-
MLP Poznań West III Sp. z o.o.	19 957	-
MLP Łódź III Sp. z o.o.	30 004	-
MLP Logistic Park Germany I Sp. z o.o. & Co KG.	-	11 514
MLP Bucharest West SRL	48 574	-
MLP Germany Management GmbH	19 082	-
MLP Schwalmtal Sp. z o.o. & Co. KG	5 545	-
MLP Business Park Berlin I Sp. z o.o. & Co. KG	27 445	-
MLP Business Park Wien GmbH	87 726	-
MLP Gelsenkirchen Sp. z o.o. & Co. KG	74 758	-
MLP Idstein Sp. z o.o. & Co. KG	35 387	-
MLP Trebur Sp. z o.o. & Co. KG	55 009	-
MLP FIN Sp. z o.o. Spółka komandytowa	103	-
Fenix Polska Sp. z o.o.	6 307	-
Total	1 085 278	270 649

23. 3 Income and expenses

Below are presented income and expenses under related-party transactions as at 30 June 2024*.

	Sale of services	Interest income	Other finance income
Parent			
The Israel Land Development Company Ltd.	-	-	-
Other related parties			
MLP Pruszków I Sp. z o.o.	1 436	-	-
MLP Pruszków II Sp. z o.o.	398	934	-
MLP Pruszków III Sp. z o.o.	749	-	-
MLP Pruszków IV Sp. z o.o.	246	184	-
MLP Poznań Sp. z o.o.	713	241	-
MLP Poznań II Sp. z o.o.	143	3	-
MLP Lublin Sp. z o.o.	559	-	-
MLP Teresin Sp. z o.o.	91	-	-
Feniks Obrót Sp. z o.o. (MLP Energy Sp. z o.o.)	139	-	-
MLP Wrocław Sp. z o.o.	565	273	-
MLP Czeladź Sp. z o.o.	230	1 246	-
MLP Gliwice Sp. z o.o.	494	700	-
MLP Property Sp. z o.o.	1	-	-
MLP Business Park Poznań Sp. z o.o.	158	1 487	-
MLP Bieruń I Sp. z o.o.	-	1 420	-
MLP Sp. z o.o.	-	1	-
MLP FIN Sp. z o.o.	-	4	-
LOKAFOP 201 Sp. z o.o.	-	1	-
MLP Poznań West II Sp. z o.o.	759	1 700	-
MLP Bucharest West Sp. z o.o.	-	670	-
MLP Dortmund LP Sp. z o.o.	-	3	-
MLP Dortmund GP Sp. z o.o.	-	2	-
MLP Pruszków V Sp. z o.o.	407	2 838	-
MLP Wrocław West Sp. z o.o.	99	2 767	-
MLP Łódź II Sp. z o.o.	261	2 860	-
MLP Zgorzelec Sp. z o.o.	125	817	-
MLP Pruszków VI Sp. z o.o.	79	3 055	-
MLP Business Park Berlin I GP Sp. z o.o.	-	4	-
MLP Schwalmtal LP Sp. z o.o.	-	2	-
MLP Schwalmtal GP Sp. z o.o.	-	2	-
MLP Wrocław West I Sp. z o.o.	-	15	-
MLP Gelsenkirchen LP Sp. z o.o.	-	2	-
MLP Gelsenkirchen GP Sp. z o.o.	-	2	-
MLP Gorzów Sp. z o.o.	51	2 092	-
MLP Idstein LP Sp. z o.o.	-	2	-
MLP Business Park Trebur GP Sp. z o.o.	-	1	-
MLP Business Park Trebur LP Sp. z o.o.	-	1	-
MLP Poznań West III Sp. z o.o.	6	800	-
MLP Logistic Park Germany I Sp. z o.o. & Co KG.	-	-	-
MLP Bucharest West SRL	151	1 676	-
MLP Germany Management GmbH	15	636	-
MLP Schwalmtal Sp. z o.o. & Co. KG	-	149	-
MLP Business Park Berlin I Sp. z o.o. & Co. KG	-	687	-
MLP Business Park Wien GmbH	3 175	3 222	-
MLP Gelsenkirchen Sp. z o.o. & Co. KG	-	2 361	-
MLP Idstein Sp. z o.o. & Co. KG	-	1 077	-

	Sale of services	Interest income	Other finance income
MLP FIN Sp. z o.o. Spółka komandytowa	-	3	-
Fenix Polska Sp. z o.o.	-	135	-
MLP Łódź III Sp. z o.o.	74	1 487	-
MLP Bieruń West Sp. z o.o.	15	94	-
MLP Trebur Sp. z o.o. & Co.KG	-	1 683	-
Total other related parties	11 139	37 339	-
Total income	11 139	37 339	-

	Purchase of services and salaries	Interest expense
Other related parties		
MLP Pruszków I Sp. z o.o.	(24)	(4 592)
MLP Pruszków III Sp. z o.o.	-	(746)
MLP Pruszków IV Sp. z o.o.	-	(755)
MLP Poznań II Sp. z o.o.	-	(304)
Feniks Obrót Sp. z o.o. (MLP Energy Sp. z o.o.)	-	(554)
MLP Property Sp. z o.o.	-	(50)
MLP Business Park Poznań Sp. z o.o.	(3)	-
MLP Temp Sp. z o.o.	-	(412)
LOKAFOP 201 Spółka z ograniczoną odpowiedzialnością SKA	-	(375)
MLP Bieruń Sp. z o.o.	-	(24)
MLP Poznań West III Sp. z o.o.	(6)	-
MLP Łódź III Sp. z o.o.	(6)	-
MLP Gorzów Sp. z o.o.	(7)	-
MLP Business Park Berlin I LP Sp. z o.o.	-	(5)
MLP Zgorzelec Sp. z o.o.	(6)	-
MLP Dortmund LP Sp. z o.o.	-	(11)
MLP Teresin II Sp. z o.o.	-	(19)
MLP Logistic Park Germany I Sp. z o.o. & Co KG.	-	(448)
MLP Spółka z ograniczoną odpowiedzialnością SKA	-	(3)
	(52)	(8 298)

		Purchase of services and salaries	Interest expense
Key management personnel			
Radosław T. Krochta	see Note 26.	(60)	-
Michael Shapiro	see Note 26.	(60)	-
Tomasz Zabost	see Note 26.	(20)	-
Monika Dobosz	see Note 26.	(60)	-
Agnieszka Gózdź	see Note 26.	(59)	-
Other key management personnel	see Note 26.	(150)	-
		(409)	-
Total expenses		(461)	(8 298)

Below are presented income and expenses under related-party transactions as at 30 June 2023*.

	Sale of services	Interest income	Other finance income
Parent			
The Israel Land Development Company Ltd., Tel-Awiw	50	-	-
Other related parties			
MLP Pruszków I Sp. z o.o.	1 564	-	-
MLP Pruszków II Sp. z o.o.	388	940	-
MLP Pruszków III Sp. z o.o.	699	-	-
MLP Pruszków IV Sp. z o.o.	476	-	-
MLP Poznań Sp. z o.o.	148	118	-
MLP Poznań II Sp. z o.o.	130	5	-
MLP Lublin Sp. z o.o.	556	-	-
MLP Teresin Sp. z o.o.	263	-	-
Feniks Obrót Sp. z o.o. (MLP Energy Sp. z o.o.)	335	-	-
MLP Wrocław Sp. z o.o.	526	962	-
MLP Czeladź Sp. z o.o.	1 117	1 726	-
MLP Gliwice Sp. z o.o.	493	349	-
MLP Business Park Poznań Sp. z o.o.	88	1 596	-
MLP Bieruń I Sp. z o.o.	-	391	-
MLP FIN Sp. z o.o.	-	4	-
MLP Business Park Berlin I LP Sp. z o.o.	3	-	-
MLP Poznań West II Sp. z o.o.	3 711	3 430	-
MLP Bucharest West Sp. z o.o.	-	620	-
MLP Dortmund LP Sp. z o.o.	-	4	-
MLP Dortmund GP Sp. z o.o.	-	3	-
MLP Pruszków V Sp. z o.o.	291	1 029	-
MLP Wrocław West Sp. z o.o.	89	3 119	-
MLP Łódź II Sp. z o.o.	192	3 108	-
MLP Zgorzelec Sp. z o.o.	27	706	-
MLP Pruszków VI Sp. z o.o.	85	3 895	-
MLP Business Park Berlin I GP Sp. z o.o.	-	5	-
MLP Schwalmtal LP Sp. z o.o.	-	2	-
MLP Schwalmtal GP Sp. z o.o.	-	2	-
MLP Wrocław West I Sp. z o.o.	190	4	-
MLP Gelsenkirchen LP Sp. z o.o.	-	2	-
MLP Gelsenkirchen GP Sp. z o.o.	-	2	-
MLP Gorzów Sp. z o.o.	20	776	-
MLP Idstein LP Sp. z o.o.	-	3	-
MLP Logistic Park Germany I Sp. z o.o. & Co KG.	-	673	-
MLP Bucharest West SRL	108	339	-
MLP Germany Management GmbH	6	356	-
MLP Schwalmtal Sp. z o.o. & Co. KG	-	304	-
MLP Business Park Berlin I Sp. z o.o. & Co. KG	-	601	-
MLP Business Park Wien GmbH	-	2 504	-
MLP Gelsenkirchen Sp. z o.o. & Co. KG	-	1 807	-
MLP Idstein Sp. z o.o. & Co.KG	-	890	-

	Sale of services	Interest income	Other finance income
MLP FIN Sp. z o.o. Spółka komandytowa	-	4	-
Fenix Polska Sp. z o.o.	-	117	-
MLP Business Park Trebur GP Sp. z o.o.	-	1	-
MLP Business Park Trebur LP Sp. z o.o.	-	1	-
MLP Łódź III Sp. z o.o.	11	-	-
Other related parties total	11 516	30 399	-
Total income	11 566	30 399	-

*unaudited

	Purchase of services and salaries	Interest expense
Other related parties		
MLP Pruszków I Sp. z o.o.	(24)	(4 430)
MLP Pruszków III Sp. z o.o.	-	(696)
MLP Pruszków IV Sp. z o.o.	-	(744)
MLP Poznań II Sp. z o.o.	-	(36)
MLP Teresin Sp. z o.o.	(3)	-
Feniks Obrót Sp. z o.o. (MLP Energy Sp. z o.o.)	-	(576)
MLP Temp Sp. z o.o.	(3)	(322)
LOKAFOP 201 Spółka z ograniczoną odpowiedzialnością SKA	-	(423)
MLP Bieruń Sp. z o.o.	-	(4)
MLP Business Park Berlin I LP Sp. z o.o.	-	(5)
MLP Dortmund LP Sp. z o.o.	-	(9)
MLP Teresin II Sp. z o.o.	-	(18)
MLP Logistic Park Germany I Sp. z o.o. & Co KG.	(8 348)	(104)
	(8 378)	(7 367)

		Purchase of services and salaries	Interest expense
Key management personnel			
Radosław T. Krochta	see Note 26.	(492)	-
Michael Shapiro	see Note 26.	(459)	-
Tomasz Zabost	see Note 26.	(287)	-
Monika Dobosz	see Note 26.	(293)	-
Agnieszka Gózdź	see Note 26.	(480)	-
Other key management personnel	see Note 26.	(516)	-
		(2 527)	-
Total expenses		(10 905)	(7 367)

24. Significant litigation and disputes

As of 30 June 2024, the Company was not involved in any significant litigation.

25. Significant events during and subsequent to the reporting period

- On 21 January 2024, the Company redeemed the Series E bonds with a total nominal value of 4,000,000 EUR, i.e., at their maturity.
- On 27 February 2024, the Company partially redeemed the Series D bonds with a total nominal value of 8,600,000 EUR, i.e., before their maturity.
- On 21 February 2024, the Company's Management Board passed a resolution on the issue, by way of a public offering to qualified investors, of up to 41,000 series G bearer bonds of the Company with a nominal value of EUR 1,000 per bond and total nominal value of up to EUR 41,000,000 (the "Bonds").

The Bonds were issued on 6 March 2024 at an issue price of EUR 1,000 per Bond.

The Bonds are subject to variable interest rate at the EURIBOR rate for 3-month deposits in EUR plus a margin.

The Bonds are unsecured instruments.

The objectives of the issue were not specified.

The redemption date of the Bonds is 4 December 2026.

- On 29 February 2024 Mr. Tomasz Zabost submitted his resignation from the function of the Management Board Member of the Company with immediate effect, without giving reasons for the resignation.
- On 17 May 2024, the Company redeemed remaining series D bonds with a total nominal value of EUR 11,400,000, i.e. at maturity.
- On August 1, 2024 the Supervisory Board appointed: Mr. Radosław T. Krochta, Mr. Michael Shapiro, Ms Monika Dobosz and Ms Agnieszka Gózdź to the Management Board for a new term.

After the end of the reporting period until the approval for publication of this Interim Condensed Separate Financial Statement, there were no events that occurred and should have been recorded in both the accounting books of the operating period and in the Company's Individual Financial Statement.

25. 1 Impact of the political and economic situation in Ukraine on the business of MLP Group S.A.

Due to the historical volume of trade with Russia, particularly the European Union's dependence on natural resources imported from Russia, such as gas and oil, as well as the roles of Russia and Ukraine as food exporters, both imposed sanctions and retaliations from Russia have a significant impact on the global economy. This is especially evident in far-reaching changes in the flow of both raw materials and products, particularly through the restriction of trade with Russia and Belarus and limitations on transit through Russia, Belarus, and Ukraine between Europe and Asia. This is a cause of changes for the logistics industry as well.

The war on Ukrainian territory indirectly affects GDP dynamics in countries like Poland, the inflation rate, interest rates, and expectations regarding changes in these rates, influencing consumer and business behavior, currency exchange rates, unemployment rates, average wages, and income medians, as well as the fiscal and monetary policies of the European Union and the countries where Group companies operate.

In retrospect, the assessment of the impact of the war in Ukraine on the Company's operations does not indicate that it has had or currently has a significant negative character. However, any unfavorable developments in the military situation in Ukraine could lead to changes in logistics routes and negatively affect the investment sentiment of customers, mainly towards Poland and Romania, where dependent companies operate.

26. Remuneration paid or due to Management and Supervisory Board members

<i>for the six months ended 30 June</i>		2024	2023
		<i>(unaudited)</i>	<i>(unaudited)</i>
Fixed remuneration of the Management Board:			
Radosław T. Krochta	<i>see Note 23.3</i>	60	61
Michael Shapiro	<i>see Note 23.3</i>	60	249
Tomasz Zabost	<i>see Note 23.3</i>	20	50
Monika Dobosz	<i>see Note 23.3</i>	60	60
Agnieszka Gózdź	<i>see Note 23.3</i>	59	270
		259	690
Provision for variable remuneration of the Management Board:			
Radosław T. Krochta	<i>see Note 23.3</i>	-	431
Michael Shapiro	<i>see Note 23.3</i>	-	210
Tomasz Zabost	<i>see Note 23.3</i>	-	237
Monika Dobosz	<i>see Note 23.3</i>	-	233
Agnieszka Gózdź	<i>see Note 23.3</i>	-	210
		-	1 321
		-	1 321

<i>for the six months ended 30 June</i>	2024 <i>(unaudited)</i>	2023 <i>(unaudited)</i>
Variable remuneration of the Management Board paid in the current year relating to the previous year:		
Radosław T. Krochta	-	740
Michael Shapiro	-	-
Tomasz Zabost	-	406
Monika Dobosz	-	399
Agnieszka Góźdź	-	360
Remuneration of the Supervisory Board:		
• Remuneration and other benefits		
Matusiak Maciej	30	30
Levy Eytan	30	30
Shimshon Marfogel	30	30
Guy Shapira	30	30
Piotr Chajderowski	30	30
Oded Setter	30	30
	180	180
Total remuneration paid or due to Management and Supervisory Board members	439	2 775
Other key management personnel		
Remuneration and other benefits	<i>see Note 23.3</i>	516
	150	516
Total remuneration paid or due to members of the management and supervisory bodies of the Company	589	3 291

Apart from the transactions described in the note above, members of the Management Board and the Supervisory Board and other management personnel did not receive any other benefits from the Company.

27. Employees

<i>for the six months ended 30 June</i>	2024 <i>(unaudited)</i>	2023
Number of employees	39	23

28. Information about the entity authorized to audit financial statements

<i>for the six months ended 30 June</i>	2024 <i>(unaudited)</i>	2023
Review withing the meaning of Article 2(1) of the Act on Statutory Auditors*	40	40
Other services	90	85

* The amount provided pertains to the audit and review of both individual and consolidated financial statements.

Signed with a qualified digital signature.

Radosław T. Krochta
*President of the
Management Board*

Michael Shapiro
*Vice President of the
Management Board*

Monika Dobosz
*Member of the Management
Board*

Agnieszka Gózdź
*Member of the Management
Board*

Nina Warzycka
*Signature of the person
responsible for keeping books
of account.*

Pruszków, 22 August 2024

MANAGEMENT BOARD'S REPORT ON THE ACTIVITIES OF THE MLP GROUP S.A. GROUP

for the six months
ended 30 June 2024



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Authorisation by the MLP Group S.A. Management Board Management Board's report on the activities of the MLP Group S.A. Group for the six months ended 30 June 2024

This Management Board's report on the activities of the MLP Group S.A. Group in the six months ended 30 June 2024 was prepared and authorised for issue by the Management Board of MLP Group S.A. on 22 August 2024.

Signed with qualified electronic signature.

Pruszków, 22 August 2024



Introduction

MLP Group S.A. (the "Company", the "Issuer", the "Parent") is the parent of the MLP Group S.A. Group (the "Group"). The Company is entered in the National Court Register maintained by the District Court for the Capital City of Warsaw, 14th Commercial Division of the National Court Register, under No. 0000053299. The Company's registered office is located at ul. 3-go Maja 8, 05-800 Pruszków, Poland.

The Company was established on 18 February 1995 (based on a deed of transformation) and was incorporated for an indefinite term.

The Parent and its subsidiaries are engaged in business activities that include the development, purchase, and sale of their own real estate, lease of own real estate, managing both residential and non-residential real estate, and offering general building construction services. The code of the principal business activity according to the Polish Classification of Business Activities (PKD) is: 7032Z, i.e. property management services.

The majority shareholder MLP Group S.A. is CAJAMARCA HOLLAND B.V. of the Netherlands, registered address: Locatellikade 1, 1076 AZ Amsterdam.

The Group's ultimate parent is Israel Land Development Company Ltd. (of Tel Aviv, Israel), whose shares are listed on the Tel Aviv Stock Exchange.



1. General information on the Group and MLP Group S.A.

1. 1 Structure of the Group

As at 30 June 2024, the Group consisted of the following entities:

No.	Entity	Country of registration	Parent's direct and indirect interest in equity	Parent's direct and indirect interest in voting rights
1	MLP Pruszków I Sp. z o.o.	Poland	100%	100%
2	MLP Pruszków II Sp. z o.o.	Poland	100%	100%
3	MLP Pruszków III Sp. z o.o.	Poland	100%	100%
4	MLP Pruszków IV Sp. z o.o.	Poland	100%	100%
5	MLP Poznań Sp. z o.o.	Poland	100%	100%
6	MLP Lublin Sp. z o.o.	Poland	100%	100%
7	MLP Poznań II Sp. z o.o.	Poland	100%	100%
8	MLP Spółka z ograniczoną odpowiedzialnością SKA	Poland	100%	100%
9	Feniks Obrót Sp. z o.o.	Poland	100%	100%
10	MLP Property Sp. z.o.o.	Poland	100%	100%
11	MLP Bieruń Sp. z o.o.	Poland	100%	100%
12	MLP Bieruń I Sp. z o.o.	Poland	100%	100%
13	MLP Sp. z o.o.	Poland	100%	100%
14	MLP Teresin Sp. z o.o.	Poland	100%	100%
15	MLP Business Park Poznań Sp. z o.o.	Poland	100%	100%
16	MLP FIN Sp. z o.o.	Poland	100%	100%
17	LOKAFOP 201 Sp. z o.o.	Poland	100%	100%
18	LOKAFOP 201 Spółka z ograniczoną odpowiedzialnością SKA	Poland	100%	100%
19	MLP Wrocław Sp. z o.o.	Poland	100%	100%
20	MLP Gliwice Sp. z o.o.	Poland	100%	100%
21	MLP Business Park Berlin I LP Sp. z o.o.	Poland	100%	100%
22	MLP Czeladź Sp. z o.o.	Poland	100%	100%
23	MLP Temp Sp. z o.o.	Poland	100%	100%
24	MLP Dortmund LP Sp. z o.o.	Poland	100%	100%
25	MLP Dortmund GP Sp. z o.o.	Poland	100%	100%
26	MLP Logistic Park Germany I Sp. z o.o. & Co. KG	Germany	100%	100%
27	MLP Poznań West II Sp. z o.o.	Poland	100%	100%
28	MLP Bucharest West Sp. z o.o.	Poland	100%	100%
29	MLP Bucharest West SRL	Romania	100%	100%
30	MLP Teresin II Sp. z o.o.	Poland	100%	100%
31	MLP Pruszków V Sp. z o.o.	Poland	100%	100%
32	MLP Germany Management GmbH	Germany	100%	100%
33	MLP Wrocław West Sp. z o.o.	Poland	100%	100%
34	MLP Business Park Berlin I GP Sp. z o.o.	Poland	100%	100%

No.	Entity	Country of registration	Parent's direct and indirect interest in equity	Parent's direct and indirect interest in voting rights
35	MLP Łódź II Sp. z o.o.	Poland	100%	100%
36	MLP Zgorzelec Sp. z o.o.	Poland	100%	100%
37	MLP Schwalmthal LP Sp. z o.o.	Poland	100%	100%
38	MLP Schwalmthal GP Sp. z o.o.	Poland	100%	100%
39	MLP Pruszków VI Sp. z o.o.	Poland	100%	100%
40	MLP Business Park Berlin I Sp. z o.o. & Co. KG	Germany	100%	100%
41	MLP Schwalmthal Sp. z o.o. & Co. KG	Germany	100%	100%
42	MLP Business Park Wien GmbH	Austria	100%	100%
43	MLP Wrocław West I Sp. z o.o.	Poland	100%	100%
44	MLP Gelsenkirchen GP Sp. z o.o.	Poland	100%	100%
45	MLP Gelsenkirchen LP Sp. z o.o.	Poland	100%	100%
46	MLP Gelsenkirchen Sp. z o.o. & Co. KG	Germany	100%	100%
47	MLP Gorzów Sp. z o.o.	Poland	100%	100%
48	MLP Idstein LP Sp. z o.o.	Poland	100%	100%
49	MLP Idstein GP Sp. z o.o.	Poland	100%	100%
50	MLP Idstein Sp. z o.o. & Co. KG	Germany	100%	100%
51	MLP Business Park Trebur GP Sp. z o.o.	Poland	100%	100%
52	MLP Business Park Trebur LP Sp. z o.o.	Poland	100%	100%
53	MLP Business Park Trebur Sp. z o.o. & Co. KG	Germany	100%	100%
54	MLP Poznań West III Sp. z o.o.	Poland	100%	100%
55	MLP Łódź III Sp. z o.o.	Poland	100%	100%
56	Feniks PV Sp. z o.o.	Poland	100%	100%
57	MLP Bieruń West Sp. z o.o.	Poland	100%	100%
58	MLP Wrocław South Sp. z o.o. ¹⁾	Poland	100%	100%
59	MLP Bieruń II Sp. z o.o. ²⁾	Poland	100%	100%

Changes in the Group

¹⁾ MLP Wrocław South Sp. z o.o. was incorporated pursuant to a notarial deed of 27 March 2024. All shares in the company were acquired by MLP Group S.A. (50 shares with a total par value of PLN 5,000). The company was registered with the National Court Register on 23 April 2024.

²⁾ On 27 March 2024, MLP Bieruń II Sp. z o.o. was incorporated pursuant to a notarial deed. All shares in the company were acquired by MLP Group S.A. (50 shares with a total par value of PLN 5,000). The company was registered with the National Court Register on 17 April 2024.



1. 2 Principal business of the Company and the Group

MLP Group S.A. is a leading European logistics platform, delivering a comprehensive range of services from site selection and land acquisition to property management. Its innovative 'Build & Hold' strategy underpins a business model that emphasises the development of direct, lasting relationships with its customers. This approach has proven effective in ensuring high levels of tenant satisfaction, thereby maintaining exceptional occupancy rates.

The Group excels in the construction and management of modern warehouse centres, All facilities are strategically located near large urban areas and major road junctions. MLP Group operates on the Polish, German, Austrian and Romanian markets.

MLP Group is a member of key industry initiatives, such as the European Public Real Estate Association (EPRA).

MLP Group's property portfolio, which includes existing projects completed, projects under construction, and projects with building permits secured, amounts to over 1.4 million sqm of total leasable area. The Group's net asset value as at the end of June 2024 was PLN 2.7 billion.

The Group companies have also entered into a number of reservation agreements to acquire new land for planned logistics parks in Poland, Germany, Romania and Austria, with a total area of 164 hectares.

Currently, MLP Group operates 29 logistics projects located in 4 European countries, including 22 in strategic locations in Poland. The Group operates 5 logistics projects in Germany, and 1 in each of Romania and Austria.

The Group develops and operates two types of warehouse space formats:

(1) big-box facilities, i.e. large-scale warehouse facilities within logistics parks, with units available for lease ranging from 2.5 to 30 thousand sqm. They are located near major urban centres with direct access to expressways and highways. The key tenants for warehouse parks are logistics companies, distributors, retail chains, and light manufacturing companies;

(2) city logistics facilities under the name MLP Business Park and offering small warehouse units (ranging from 700 sqm to 2.5 thousand sqm). Location is critical for MLP Business Park projects: they are strategically placed within city limits, ensuring easy access to public transport and labour pools. The office space in these projects is fitted-out to a high standard, which is important to tenants who want to base their headquarters alongside their warehouse operations. Additionally, the space can be customised to include showroom or exhibition facilities. Tenants in MLP Business Parks are typically companies in the service, IT, pharmaceutical and retail sectors, as well as those focusing on local distribution. The first project of this type is MLP Business Park Berlin, with further developments underway at MLP Business Park Łódź and MLP Business Park Vienna. Construction of MLP Business Park Schalke and MLP Business Park Poznań will begin shortly.

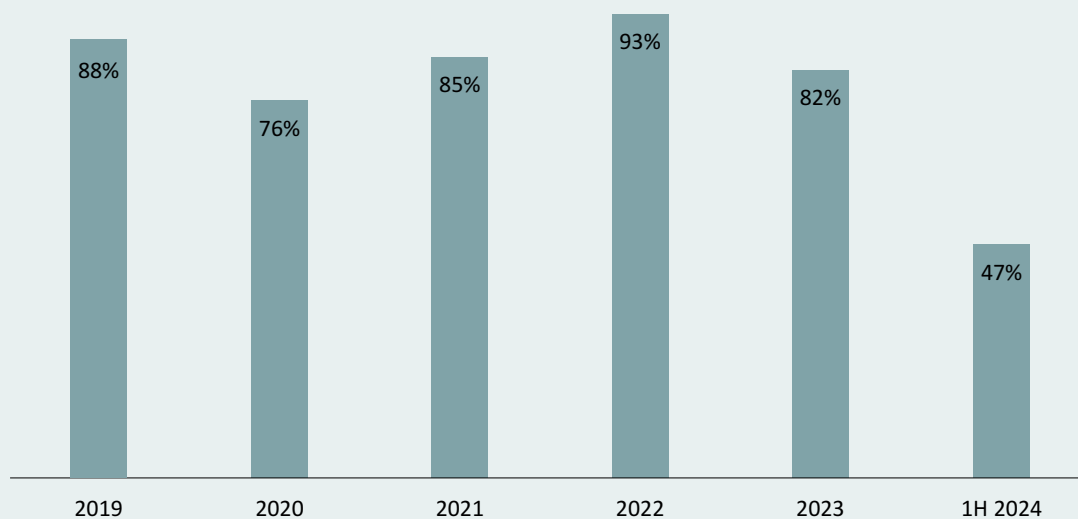
The Group's key customers include logistics, production and e-commerce companies. The structure of tenants is distributed proportionally across the business segments.

The Group's strategic goals include:

- Building economic scale in the existing strategic markets – Poland, Germany, Austria, and Romania through the execution of urban logistics projects and big-box facilities.
- Maintaining stable occupancy rate averaging approximately 90% of total current portfolio.
- Developing new properties based on pre-let agreements and on a speculative basis, aiming to achieve full occupancy of these projects upon completion.

Over the past five years, the Group has demonstrated an occupancy rate of between 47% and 93% at the time of construction completion.

Construction based on pre-let agreements



A pre-let agreement refers to a lease contract signed before the commencement of construction or during the construction phase (before the building is handed over for use).

- Securing new plots for future development in existing and new markets.
- Continuing the development of big-box projects, primarily addressing ecommerce development and light industry requirements amidst increased demand, generated by the reshoring manufacturing from Asia to Europe.
- Focusing on city logistics projects as a high growth potential product – responding to the retail evolution (e-commerce) with smaller units, less than 5 thousand sqm, located within or close to city boundaries, with easy access to labour and public transport.
- Increasing rents upon renewal of current lease contracts – leveraging the potential for revenue growth on re-letting space.
- Creating value through re-development of brown plots.
- Disposing of BTS projects as a source of additional equity.

- Developing high-quality Class A assets, with a strong focus on green projects: approximately 80% of the property portfolio has achieved certification with a rating of at least 'VeryGood' or 'Gold' level for DGNB certifications.

The short- and long-term strategy of MLP Group is increasingly focused on sustainable development. This strategy, grounded in environmental and social considerations, aligns with the United Nations 2030 Agenda for Sustainable Development Goals.

- **Natural environment**

MLP Group's foremost objective is to lessen its environmental footprint and achieve environmental neutrality. The carbon footprint of the Group has been assessed for scopes 1 and 2, with total emissions estimated at 38.5 tCO₂e.

MLP Group is dedicated to maximising the energy efficiency of its warehouses by cutting down on the use of electricity and heating and gradually increasing the adoption of renewable energy sources within MLP Group properties. This initiative is aimed at reducing the emissions of CO₂ and other greenhouse gases.

In 2023, we ensured that our tenants in Poland received 100% of their electricity from renewable sources. Starting from 2022, all the electricity procured for our logistics parks in Poland has been sourced from renewables, as certified by guarantees of origin. We intend to continue this green energy procurement policy in the coming years. Furthermore, MLP Group has initiated its own energy production programme (solar PV systems). In 2023, this programme generated 400 MWh, leading to a reduction in CO₂ emissions by approximately 325 tonnes. The Group also invests in solar panel systems, with 7.4 MWp of solar panels completed as at the date of issue of this report, and an additional 2.7 MWp currently under construction.

- **We are advancing our sustainability initiatives by:**

- Securing BREEAM or DGNB certification for new constructions;
- Implementing smart metering and monitoring systems in both new and existing parks, aiming for the optimal control of energy use within buildings;
- Using devices of the highest energy efficiency ratings, including the adoption of heat pumps and both indoor and outdoor LED lighting for new buildings;
- Gradually replacing inefficient heating and lighting systems in existing buildings;
- Systematically upgrading and insulating the external structures of buildings;
- Installing charging stations for electric vehicles within our logistics parks;
- Providing cycling infrastructure and public bike-sharing options across our logistics sites;
- Assessing emissions over the buildings' entire lifecycle;
- Incorporating green clauses into tenant agreements;
- Transitioning our vehicle fleet to hybrid and electric models;
- Using high-efficiency LED lighting both inside and outside buildings across all of the Group's logistics parks;
- Setting up utility consumption monitoring systems in our properties to streamline utility usage;
- Building city bike stations in the logistics parks;
- practicing effective energy management;
- developing solar panel systems.

- **Society**

MLP Group's social initiatives, aligned with its ESG Strategy, are divided into internal and external activities.

The internal projects focus on fostering the professional development, health, and safety of employees. We are committed to further enhancing equality, diversity, inclusion, and open communication among our workforce.

All employees are provided with private healthcare, financial support for sports programmes, and language courses in English and German, as well as training and opportunities for career advancement.

We launched an ESG training programme for our team.

Our customer relationships are built on open dialogue. We regularly conduct tenant surveys and actively engage with local communities.

- **Corporate governance**

As a company listed on the Warsaw Stock Exchange, MLP Group is committed to adhering to and fully complying with the principles outlined in the 'Best Practice for GPW Listed Companies' document.

Employees are required to follow a code of ethics that addresses issues such as equality, human rights, cybersecurity, privacy policy, conflict of interest, and the prevention of fraud and embezzlement. A mechanism for reporting irregularities has also been implemented.

We are members of the Chamber of Commerce for Energy and Energy Consumers, and we pursue our goals by: working to reduce costs associated with acquiring and using energy; removing administrative barriers and excessive fiscal burdens; engaging in public consultations on projects that have a substantial impact on the business environment in Poland; providing education in the field of industrial energy and energy-intensive industries.

All Business Partners of MLP Group are expected to adhere to our Code of Good Business Practice, which sets out our ethical standards and guidelines for collaboration with Tenants and other Business Partners. This document aligns with our ESG strategy and underscores our commitment to upholding the highest ethical and social standards across all areas of our operations. It is available at <https://mlpgroup.com/wp-content/uploads/2024/04/MB-Resolution-MLP-GROUP-Code-of-Good-Business-Practise-app-sig-sig-sig-sig.pdf>

The Code of Good Business Practice contains key guidelines on:

- Ethics and compliance: we are dedicated to conducting business with integrity, transparency, and in full compliance with the law,
- Human rights: we expect all Partners to respect human rights and safeguard the dignity of their employees,
- Sustainability: we encourage practices that protect the natural environment and promote sustainable development,
- Occupational health and safety: we are committed to ensuring safe and healthy working conditions,
- Anti-corruption: we enforce a zero-tolerance policy for any form of corruption or bribery.

In 2024, MLP GROUP S.A. became a Strategic Partner of the Responsible Business Forum. This initiative brings together industry leaders who collaborate with experts to enhance their ESG capabilities and undertake joint projects driving sustainable business transformation.

1.3 The Group's property portfolio

The Group classifies its portfolio properties into the following main categories:

- properties generating rental income;
- projects under construction or in preparation;
- landbank (area).

Structure of the Group's property portfolio by property category and segment as at 30 June 2024:

Property portfolio by segment	Total land area (sqm)	Development potential for the total land area (sqm)	Existing leasable space (sqm)*	Space under construction and in preparation (sqm)	In preparation (sqm)
POLAND	3 583 059	1 537 806	1 042 349	117 362	370 824
GERMANY	412 888	209 475	79 493	71 813	58 169
AUSTRIA	98 249	54 520	-	54 520	-
ROMANIA	188 045	99 000	38 988	200	59 812
TOTAL	4 282 241	1 900 801	1 160 830	243 895	496 076

As at 30 June 2024, the Company had reservation agreements for the purchase of approximately 164 hectares of land, allowing it to develop approximately 788 thousand sqm of space.

Summary of the leasable space owned by the Group as at 30 June 2024 (sqm):

	Existing Space (sqm)*	Space completed and leased out (sqm)	Space completed but not leased out (sqm)	Space under construction and in preparation (sqm)	Pre-leased space under construction and in preparation (sqm)	Existing space, space under construction and in preparation
POLAND	1 042 349	938 617	103 732	117 362	66 000	1 159 711
GERMANY	79 493	75 347	4 146	71 813	-	151 306
AUSTRIA	-	-	-	54 520	6 772	54 520
ROMANIA	38 988	38 808	180	200	200	39 188
TOTAL	1 160 830	1 052 772	108 058	243 895	72 972	1 404 725

* The existing leasable space does not include the space of buildings designated for demolition to make way for new warehouse developments.

Types of leasable space offered:

The Group offers two types of space to its tenants:

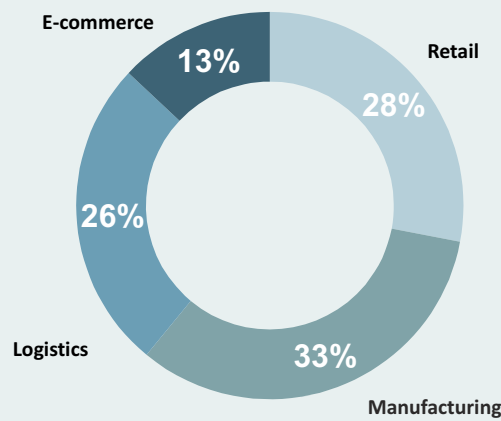
- warehouse space, i.e. space for storing goods, and
- manufacturing space, i.e. space designated for light industrial production.

The Group also provides its tenants with support office space. The final division of leased space depends on tenants' requirements.

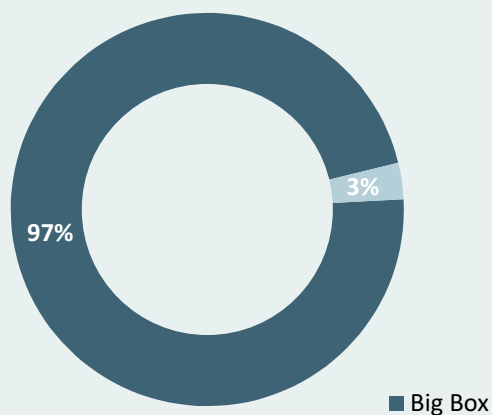
The space is available in two formats:

- city logistics projects;
- big box projects.

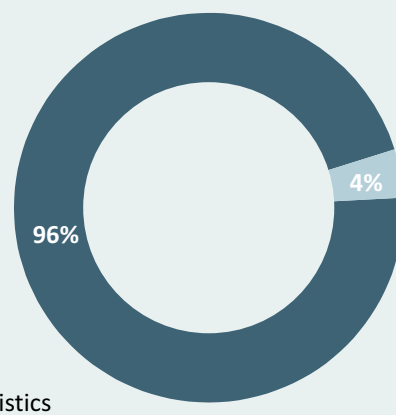
Space completed at the Group's parks as at 30 June 2024:



Existing space division by type as at 30.06.2024 (sqm)

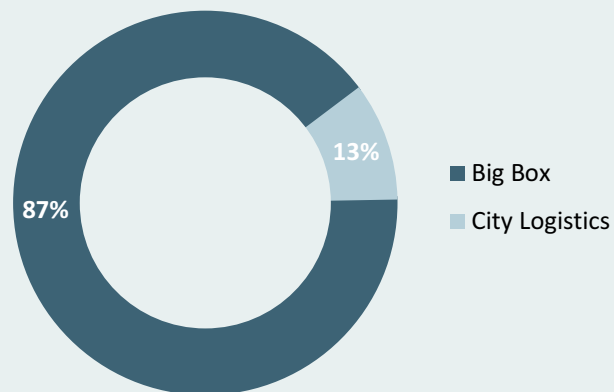


Existing space division by type as at 30.06.2024 (GAV)

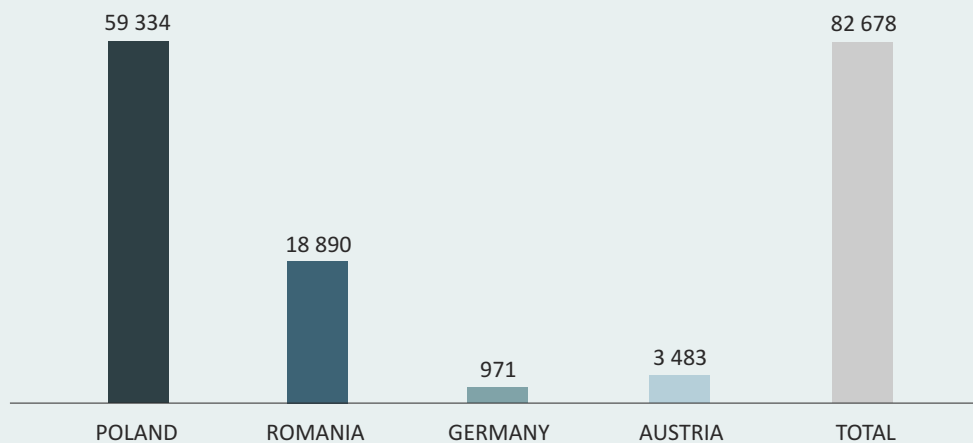


The share of city logistic projects in the MLP portfolio is set to rise progressively. Currently the Group is building new parks in this format, and more are in the pipeline. The first project of this type is MLP Business Park Berlin, with further developments underway at MLP Business Park Łódź and MLP Business Park Vienna. Construction of MLP Business Park Schalke and MLP Business Park Poznań will begin shortly.

Value of existing buildings, construction in progress, and pipeline portfolio by format as at 30 June 2024



New lease contracts entered into in the six months ended 30 June 2024 [sqm] by country



As at the issue date of this report, the Group is engaged in advanced negotiations with customers for new leases of approximately 78 thousand sqm. The negotiations are scheduled to close at the end of September 2024.

The value of the investment property portfolio disclosed in the consolidated financial statements as at 30 June 2024 included: (i) market value of investment property of PLN 4,998,722 thousand, (ii) perpetual usufruct right of land of PLN 57,937 thousand, and (iii) the value of Feniks Obrót Sp. z o.o.'s apartments of PLN 317 thousand.

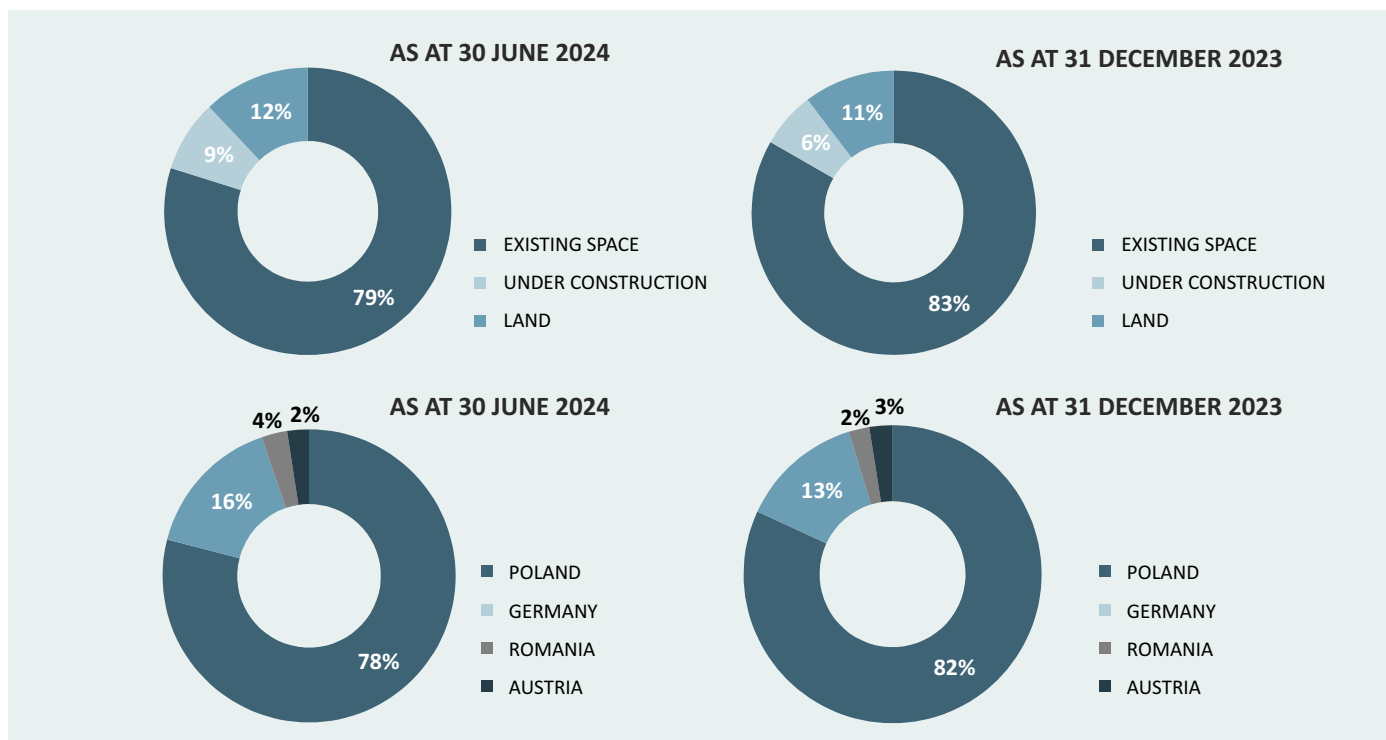
Fair value of the Group's property portfolio* by segment and type of space as at 30 June 2024:

Segment	Currency	Fair value of existing buildings	Fair value of construction in progress	Fair value of pipeline portfolio	Fair value of landbank	Total fair value
Poland	EUR thousand	775 387	57 680	52 580	15 500	901 147
	PLN thousand	3 344 243	248 772	226 778	66 852	3 886 645
Germany	EUR thousand	117 370	-	66 510	-	183 880
	PLN thousand	506 216	-	286 858	-	793 074
Austria	EUR thousand	-	46 600	-	-	46 600
	PLN thousand	-	200 986	-	-	200 986
Romania	EUR thousand	22 396	-	2 005	2 962	27 363
	PLN thousand	96 594	-	8 648	12 775	118 017
Total	EUR thousand	915 153	104 280	121 095	18 462	1 158 990
Total	PLN thousand	3 947 053	449 758	522 284	79 627	4 998 722

* Property value net of perpetual usufruct of land and residential properties.

Fair value of the Group's properties (GAV)

a) by type



TOP 5 investment properties (fair value):

	Fair value EUR thousand	Fair value PLN thousand
MLP Poznań West II Sp. z o.o.	123 610	533 130
MLP Pruszków I Sp. z o.o.	94 280	406 630
MLP Logistic Park Germany I Sp. z o.o. & Co. KG	81 000	349 353
MLP Pruszków V Sp. z o.o.	70 060	302 169
MLP Pruszków III Sp. z o.o.	66 440	286 556
Total value of TOP 5 investment properties in MLP portfolio	435 390	1 877 838



1. 4 Market, customers and suppliers

The Group specialises in constructing and managing modern warehouse centres. All facilities are strategically located near large urban areas and major road junctions. MLP Group operates on the Polish, German, Austrian and Romanian markets.

Currently, MLP Group operates 29 logistics projects located in 4 European countries, including 22 in strategic locations in Poland. The Group operates 5 logistics projects in Germany, and 1 in each of Romania and Austria.

The Group has signed agreements granting options to purchase land in new locations in Poland and Germany, which would allow it to expand the selection of available locations for tenants.

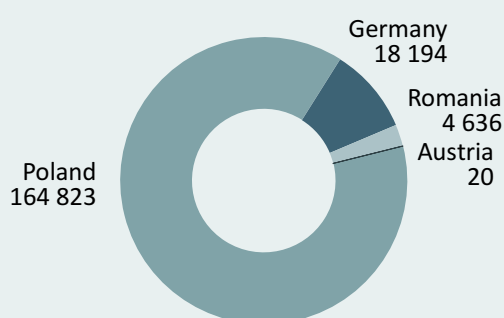
1. 4.1 Structure of the Group's sales

The Group earns rental income from investment property in logistics parks in Poland, Germany, and Romania. The table below presents the types of revenue derived from lease of the properties.

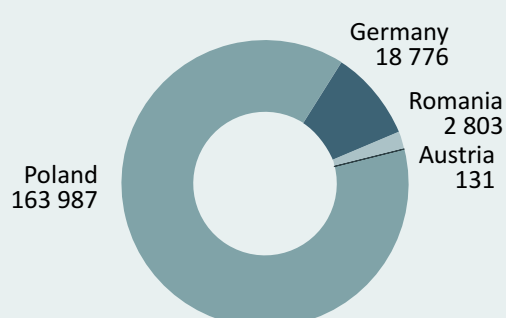
Revenue

<i>for the six months ended 30 June</i>	2024	2023	change (%)
Revenue from external customers:			
Rental income from investment property	108 546	100 188	8,3%
Recharge of service charges	38 343	36 298	5,6%
Recharge of utility costs	39 187	48 162	-18,6%
Other revenue	1 597	1 049	52,2%
Revenue	187 673	185 697	1,1%

Revenue in six months ended 30 June 2024



Revenue in six months ended 30 June 2023



In the six months ended 30 June 2024, the Group reported revenue of PLN 187,673 thousand, a 1% increase on the corresponding period of the previous year. Rental income was the primary source of revenue. It rose by 8% relative to the six months ended 30 June 2023.

For information on the effect of exchange rate movements on rental income, see Section 3.1.1.

Poland, the principal operating segment of the Group, accounted for 88% of its revenue, a level similar to that reported for the corresponding period of 2023.

On the Romanian market, revenue reached PLN 4.6 million, an increase of 65% year on year, attributable to the delivery of new space to tenants.

The Group's ten largest tenants generated 34% of the Group's revenue in the six months ended 30 June 2024 (35% in the six months ended 30 June 2023).

1. 4.2 Key trading partners

In the reporting period, the Group's companies cooperated mainly with providers of the following services:

- construction services (as part of investment and development projects),
- supply of utilities,
- consulting and advisory services – business and legal,
- maintenance of the properties,
- security services.

For construction services, general contractors are selected in internally organised tender procedures. In 2024, the Group cooperated with the following construction companies under the general contractor system: Wielkopolskie Przedsiębiorstwo Inżynierii Przemysłowej Spółka Komandytowa, BIN - Biuro Inżynierskie Sp. z o.o., Goldbeck Rhomberg GmbH. The Group's turnover with these companies exceeded 10% of its revenue in the six months ended 30 June 2024.

The other services are procured from a broad base of suppliers, and therefore the Group is not dependent on any single supplier. In 2024, none of the Group's other suppliers accounted for more than 10% of the Group's revenue.



2. Activities of the MLP Group S.A. Group

2. 1 Activities of the MLP Group S.A. Group in the six months ended 30 June 2024

In the six months ended 30 June 2024, the Group continued its principal business activity consisting in the construction and lease of warehouse and manufacturing and business parks. Construction work was mainly outsourced to specialist third-party service providers on a general contractor basis.

During the reporting period, the Group was simultaneously engaged in more than a dozen development projects. As at the end of June 2024, the Group's portfolio comprised 1,161 thousand sqm of space completed and 244 thousand sqm of space under construction or in the pipeline. The Company's Management Board reviewed and assessed on an ongoing basis:

- current construction projects in terms of their progress,
- actual and expected revenue,
- use of the Group's existing land resources and its ability to tailor the offering to meet the anticipated market expectations and demand,
- available opportunities to purchase land for new projects to be implemented in subsequent years,
- the Group's efforts to optimise financing of its investing activities.

2. 1.1 Projects started and projects completed

In the six months ended 30 June 2024, the Group was engaged in the construction of projects with a total area of 243 thousand sqm, while a further 73 thousand sqm. was in the pipeline as at 30 June 2024 (total: 316 thousand sqm).

Of the total area of 316 thousand sqm of projects under construction or in the pipeline in the six months ended 30 June 2024, 72 thousand sqm was attributable to projects commenced in 2023 and completed in the first six months of 2024 (including MLP Pruszków II: 34 thousand sqm, MLP Gorzów: 22 thousand sqm, and MLP Bucharest: 16 thousand sqm). In 2024, the Group started projects with a total area of 70.5 thousand sqm, of which 0.6 thousand sqm will be completed in the second half of 2024, and 69.9 thousand sqm is scheduled for completion in 2025.

2. 1.2 Projects under construction or in preparation

Of the 243 thousand sqm of projects under construction in 2024, a total of 72 thousand sqm were completed. These projects were located in Poland (34 thousand sqm at MLP Pruszków V, 22 thousand sqm at MLP Gorzów) and in Romania (16 thousand sqm).

As at 30 June 2024, 171 thousand sqm of space was under construction.

Additionally, the Group had a pipeline of projects with building permits secured, with a total area of 73 thousand sqm. The Group is progressively obtaining the necessary approvals and permits to start the construction of new warehouse spaces on land that it either owns or has reserved.

The Group companies have also entered into several reservation agreements to acquire new land with a total area of 164 hectares. This land is not disclosed in the Group's balance sheet.

Projects are predominantly carried out on a pre-lease basis, i.e. launch of the investment process is conditional upon execution of a lease contract with a potential tenant. In the six months ended 30 June 2024, the Group proceeded with speculative big-box and city logistics projects at specific locations, which, when combined with pre-lease projects, make up significant investment initiatives designed to address the current market dynamics.

2. 1.3 Material agreements

Material suppliers with whom agreements with a total value exceeding 10% of the MLP GROUP S.A.'s equity were concluded in the six months ended 30 June 2024

In the six months ended 30 June 2024, MLP Business Park Vienna, a subsidiary, entered into an agreement with Goldbeck Rhomberg GmbH of Vienna to construct four warehouse and office buildings (partly pe-leased), with an area of approximately 55 thousand sqm, at the MLP Business Park Vienna logistics park.

2. 1.4 Shareholder agreements

The Group is not aware of any agreements between the Company's shareholders.

Further, the Group has no knowledge of any agreements (including those concluded after the reporting date) which could result in future changes in the proportions of shares held by the current shareholders.

2. 1.5 Partnership or cooperation agreements

In the six months ended 30 June 2024, the Group did not enter into any significant cooperation or partnership agreements with other entities.

2. 1.6 Related-party transactions

All transactions executed by the Company or its subsidiaries with related parties were executed on an arm's length basis.

For a description of related-party transactions, see Note 25 to the Group's interim condensed consolidated financial statements for the six months ended 30 June 2024.

2. 1.7 Litigation

Proceedings pending before courts, arbitration bodies or public administration bodies

On 19 February 2024, the Regional Court in Warsaw issued a decision to discontinue proceedings in the case brought by MLP Sp. z o.o. sp. SKA (formerly MLP Tychy Sp. z o.o.) against European Bakeries Sp. z o.o. and CreditForce Holding B.V. with respect to the defendant CreditForce Holding B.V. of Houten (the Netherlands).

In 2012–2014, MLP Pruszków I Sp. z o.o., MLP Pruszków II Sp. z o.o. and MLP Pruszków III received decisions on a revision of the perpetual usufruct charge. As per these decisions, the total potential amount to be paid, calculated as at 30 June 2024, is PLN 36,644 thousand. The Management Board of the companies does not accept the amount of the charge, and the matter has been referred to court. The District Governor did not take into account the expenses incurred by the companies.

In previous years and in the current year, the Group recognised provisions for a portion of potential claims of the Pruszków Governor due to the revision of the perpetual usufruct charge, totalling PLN 11,030 thousand.

2. 2 Development of the Group and risk factors

2. 2.1 Key risk factors relevant to the development of the Group

The Group's business is exposed to the following risks arising from holding of financial instruments:

- Credit risk,
- Liquidity risk,
- Market risk.

The Management Board is responsible for establishing and overseeing the Group's risk management functions, including the identification and analysis of the risks to which the Group is exposed, determining appropriate risk limits and controls, as well as risk monitoring and matching of the limits. The risk management policies and procedures are reviewed on a regular basis, to reflect changes in market conditions and the Group's business.

Credit risk

Credit risk is defined as the risk of financial loss to the Group if a trading partner or a counterparty in a transaction fails to meet its contractual obligations. Credit risk arises principally from the Group's receivables from customers, loans and cash and cash equivalents.

The objective of risk management is to establish and maintain a stable and sustainable portfolio of loans and other investments in debt instruments in terms of both quality and value. This is achieved by implementing an appropriate credit limit policy.

Liquidity risk

Liquidity risk is the risk of the Group not being able to meet in a timely manner its liabilities that are to be settled by delivery of cash or other financial assets. The Group's approach to managing liquidity is to ensure, to the extent possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without risking unacceptable losses or damage to the Group's reputation. To this end, the Group monitors its cash flows and secures access to sufficient cash to cover anticipated operating expenses and expected cash outflows for current financial liabilities, and maintains anticipated liquidity ratios.

Market risk

Market risk is the risk that changes in market prices, such as exchange rates, interest rates and equity prices will affect the Group's results or the value of financial instruments it holds. The Group mitigates the risk by constantly monitoring the Group's exposures, maintaining the exposures them within assumed limits, and seeking to optimise the rate of return on investment. The risk mitigation measures involve using hedge accounting to reduce the influence of market price volatility on financial results.

Currency risk

Currency risk arises in connection with sale, purchase, credit and loan transactions which are denominated in currencies (chiefly the euro) other than the functional currency of the Group companies.

The Group's consolidated financial statements are prepared in the Polish zloty, which is the Group's functional currency. In order to make estimates as to the level of capital required to achieve its strategic goals, the Group uses the euro as a reference currency. Most of the projects currently under construction and planned by the Group in its business strategy are expressed in the euro. Across all countries where the Group operates, debt financing is denominated in the euro, contracts with general contractors are also concluded in the euro or denominated in this currency, and the Group earns rental income in the euro or rents are denominated in the euro. Hence, the Group uses natural hedging to hedge currency risk (currency hedging). This practice of aligning financing with sources of revenue serves to minimise or completely eliminate foreign exchange risk. Only a specific segment of the Group's expenses, including certain construction costs, service fees, materials, utilities, and employee salaries, are incurred in the currencies of the geographic markets where the Group is active, namely the Polish zloty, Romanian leu, or the euro. For reporting purposes, the Group translates amounts denominated in the euro into its functional currency. Considering the fluctuations in the PLN/EUR exchange rates, any significant appreciation of the Group's functional currency could notably decrease the Group's revenue due to the conversion of rents denominated in the euro into PLN.

Interest rate risk

The main objective of the interest rate risk management is to protect the Company from variable market conditions and to enable precise planning of costs in individual periods. Accordingly, the effect of hedging activities should be recognised in a manner that does not affect profit or loss as hedging effects are not of operating nature.

Corporate notes issued on the Polish capital market bear interest at variable rates.

Credit facilities used by the Group largely bear interest at variable rates. The Group companies also enter into fixed-rate credit facility agreements. Interest rates depend, to a significant degree, on many factors, including the monetary policy of central banks, national and international economic and political conditions, as well as other factors outside the Group's control. Changes in interest rates may increase the Group's borrowing costs under the financial liabilities and thus affect the Group's profitability. Any need to hedge interest rate risk is considered by the Group on a case-by-case basis. In order to mitigate the interest rate risk, the Group companies enter into Interest Rate Swap transactions with their financing banks. Changes in interest rates may have a material adverse effect on the financial position and results of the Group.

The purpose is to hedge interest cash flows exposed to interest rate risk.

To meet this goal, the Group companies strive to enter into credit facility agreements with fixed interest rates, whenever feasible.

In addition to the risks listed above, the Group's business is also exposed to the following risks:

Risk related to the Group's dependence on macroeconomic conditions

The growth of the commercial real estate market, where the Group is active, is influenced by fluctuations in the construction and real estate sectors, trends within manufacturing, commerce, industry, services, and transportation, as well as the overall economic development. This development is shaped by various macroeconomic factors, including the impact of Russia's military aggression in Ukraine, the associated sanctions against Russia and Belarus (along with their retaliatory measures), the rate of economic growth, inflation, interest rates, labour market conditions, and the volume of direct foreign investments. Also, the Group's business depends indirectly on changes in the global economy. The Group's activities are affected by a range of factors: the military aggression of Russia towards Ukraine and the subsequent sanctions levied against Russia and Belarus (including their reciprocal responses), the dynamics of GDP growth, inflation rates, the level of interest rates and the expectations for their future adjustments, which sway the behaviors of both consumers and businesses, exchange rates, the rate of unemployment, the average wage levels, and the medians of salaries and incomes. Furthermore, the fiscal and monetary policies within the European Union, especially in the nations where the Group's subsidiaries operate, are also significant influencing factors. The rate of growth of the domestic economy, and thus the Group's business and results, may be affected by slowdown of the global economy. Adverse changes in the macroeconomic conditions and economic and monetary policies in Poland, Romania, the European Central Bank and other countries may have a material adverse effect on the Group's financial results and its ability to implement its plans.

Risks related with factors specific to the real estate sector

The Group is also exposed to risks inherent to the real estate sector that arise from the acquisition, ownership, and management of properties.

The revenue and value of properties can be affected by a variety of factors, including changes in legal and administrative regulations, such as those concerning the acquisition of permits or licenses, land use determinations, and taxation; cyclical variations in the real estate markets where the Group is active; and the capability to obtain suitable construction, management, maintenance, and property security services. The Group takes steps to safeguard its operations from the adverse impacts of these factors.

Risk related to a possible downturn on the real estate market and general economic slowdown

A downturn in the real estate market could adversely affect the Group's financial performance, particularly in terms of income derived from warehouse space rentals. If tenants default on their obligations or if there are vacancies, the Group would be unable to generate rental revenue, yet would continue to bear property-related expenses such as legal and appraisal fees, maintenance costs, insurance, and local property taxes. As a rule, lease rents and market prices of property depend on economic conditions. A decrease in market prices may result in lease rents being set at levels lower than those originally planned, may lead to losses on individual projects, or may result in a need to find an alternative use of the purchased land. The occurrence of such events may have a material adverse effect on the Group's business, financial position and results.

Insurance risk

The Group's properties may be destroyed or damaged due to many foreseeable or unforeseeable circumstances. In addition, third parties may suffer damage as a result of events for which the Group is liable. Given the scope of the Group's existing insurance cover, there is a risk that such damage or claims will not be covered by the insurance or that they will be covered only in part. Some risks are not insured/insurable, and for other risks the cost of insurance premiums is disproportionate to the likelihood of the risk occurring. The Group's insurance cover may not protect the Group against all losses that the Group may incur in connection with its business, and some types of insurance may not be available on commercially reasonable terms or at all. Accordingly, the Group's insurance cover may not be sufficient to fully compensate for losses incurred in connection with its real estate.

Risk of failure to successfully complete profitable investments, in particular in the property development business

The Group's ability to start and complete development, reconstruction or upgrade projects depends on a number of factors, some of which are beyond its control. These factors include, in particular, the Group's ability to obtain all of the necessary administrative decisions, to raise external financing on satisfactory terms or at all, to hire reliable contractors, and to attract suitable tenants.

The following factors, over which the Group has limited or no control, that may result in a delay or otherwise adversely affect the development or upgrade of the Group's properties include:

- increase in the cost of materials, labour costs or other expenses that may cause the completion of a project to be unprofitable;
- actions of public authorities and local governments resulting in unexpected changes in the land use planning and architectural requirements;
- defects or limitations of legal title to plots or buildings acquired by the Group, or defects, limitations or conditions related to administrative decisions concerning the plots of land owned by the Group;
- changes in applicable laws, rules or standards which take effect after the Group commences the planning or construction phase of a project, resulting in the Group incurring additional costs or resulting in delays in the project or its interpretation or application;
- violations of building standards, incorrect methods of construction or faulty construction materials;
- industrial accidents, previously unknown existing soil contamination or potential liability under environmental and other relevant legislation, for example relating to archaeological finds or unexploded ordnance, or building materials which will be regarded as harmful to health;
- forces of nature, such as bad weather, earthquakes and floods, which may cause damage or delay execution of projects;
- acts of terrorism or riots, revolts, strikes or civil unrest.

The Group's projects may be carried out only if the land has appropriate technical infrastructure required by law (e.g. access to internal roads, access to utilities, certain procedures for fire protection and adequate facilities to ensure this protection). Competent authorities may oblige the Group to create additional infrastructure required by law as part of the construction works before relevant administrative decisions are issued. Such additional work may significantly affect the cost of construction.

Further, certain projects may become unprofitable or impracticable for reasons beyond the Group's control, such as slowdown in the real estate market. The Group may not be able to complete these projects on time, within budget or at all, due to any of the above or other factors, which may increase the costs, delay the implementation of the project or cause the project to be abandoned.

Risk relating to general contractors

The Group outsources the execution of its projects to general contractors or other third parties. The successful completion of construction projects depends on the ability of the Group to employ general contractors who carry out projects in accordance with established standards of quality and safety, on commercially reasonable terms, within the agreed deadlines and within the approved budget. Inability to employ general contractors on commercially reasonable terms and the failure of general contractors to meet accepted standards of quality and safety, or non-completion of construction or repairs on time or within the agreed budget may increase the cost of the project, lead to project delays, or result in claims against the Group. In addition, such circumstance may adversely affect the Group's image and ability to sell the completed projects.

The financial strength and liquidity of the general contractors employed by the Group may not be sufficient in the event of a severe downturn in the property market, which in turn could lead to their bankruptcy, thus adversely affecting the execution of the Group's strategy. Any security that is typically provided by general contractors to secure the performance of their contractual obligations towards the Group may not cover the total costs and damages incurred by the Group in these circumstances.

The Group's dependence on general contractors also exposes the Group to all risks arising from poor quality of work of such general contractors, their subcontractors and employees, and from construction defects. In particular, the Group may incur losses due to the need to engage other contractors to correct defective work done or to pay damages to persons who incurred losses due to the faulty execution of work. Furthermore, there is a risk that such losses or costs will not be covered by the Group's insurance, by the contractor or the relevant subcontractor.

Risk related to obtaining administrative decisions

As part of its activities and in the course of managing its assets, the Group is legally required to obtain a number of licenses, consents, administrative decisions or other decisions from public administration bodies, including in particular permits for execution, construction and use of its properties. No assurance can be given by the Group that all such permits, consents, administrative decisions or other decisions of public administration bodies concerning the existing properties or new projects will be obtained on time (including due to the recurring risk of the COVID-19 pandemic, as described above) or that they will be obtained at all, or that the permits, consents, administrative decisions or other decisions of public administration bodies held or obtained in the future will not be revoked or their validity will be extended on time. Moreover, certain administrative or other decisions of public administration authorities may be subject to satisfaction of additional conditions by the Group (including the provision of appropriate infrastructure by the Group), or such authorities may impose additional conditions and obligations on the Group, which may entail additional costs, protract the proceedings and result in temporary inability to earn revenue due to such delays.

The Group may also seek changes in some of the Group's projects or facilities, as well as changes in the use of the properties to make them more effective or aligned with current trends in the real estate market. Implementing such changes may prove impossible due to difficulties in obtaining or amending the terms of the required permits, consents, administrative decisions and other decisions of public administration bodies, in particular in the case of properties entered in the register of historical places.

In addition, social organisations and organisations dealing with the protection of the environment, as well as adjacent property owners and local residents can take action to prevent the Group from obtaining the required permits, consents, administrative decisions or other decisions of public administration bodies, including through participation in administrative and judicial proceedings involving the Group, challenging decisions, regulations and rulings issued in the course of such proceedings, as well as disseminating negative and defamatory information about the Group and its projects. Such activities may significantly affect the time needed by the Group to execute its projects, delay expected revenue and result in additional costs the Group will have to incur in connection with its projects.



Risk related to land acquisition

The effectiveness and scale of the Group's operations depend, among other factors, on the supply of appropriate properties for development, their prices and legal status. The ability to find and acquire appropriate real estate at competitive prices and to obtain financing on appropriate terms is a prerequisite for efficient execution of the adopted strategy and delivery of the planned results. Opportunities to acquire land at attractive locations depend on the Group's effectiveness, the legal aspects of the Group's operations, and the objective factors of the market environment (i.e. strong competition in the land market, long time necessary to change intended use of the land caused by delays in adoption of the local zoning plans or the absence of such plans, as well as limited supply of land with appropriate infrastructure). The Group has a team of professionals responsible for searching for suitable land, analysis of its legal status and prospects, and managing the administrative processes. The Group also cooperates with a group of reputable market and legal advisors.

The price of land is driven indirectly by such factors as demand for lease of warehouse, manufacturing and office space, as well as macroeconomic conditions, availability of financing, supply of warehouse, manufacturing and office space in a given area, and tenants' expectations as to the standard and location of the properties. The Group seeks to effectively respond to changes in the macroeconomic environment through such measures as phased approach to project execution.

An increase in future land prices may also adversely affect the competitiveness and profitability of the Group's new projects. This is because the cost of land is a major factor determining the viability of a given project. On the other hand, increase in land prices may improve the competitiveness of the Group's projects on land which had already been purchased at lower prices. In order to minimise the impact of the risk of land price growth, the Group has a landbank for prospective projects with a total area of approximately 164 ha. Decline in the value of land may result in lower valuations of the investment properties, and may adversely affect the competitiveness and profitability of some of the Group's projects on land owned by the Group.

Risk of the actual and potential impact of Russia's invasion of Ukraine on the operations of the Company and its Group

In connection with Russia's invasion of Ukraine in late February 2022, the Company would like to stress that it does not conduct any business operations on the Ukrainian or Russian markets. Also, the armed conflict has not had any impact so far on the Company's Polish, German, Austrian or Romanian operations. However, as severe and extensive economic sanctions were imposed on Russia for the invasion, the country is likely to retaliate, which could affect the economic activity in Poland and globally, including the condition of tenants and other trading partners of the Company.

There is a risk that the demand for warehouse space may decrease due to potential negative effects of the full-scale military aggression launched by Russia in Ukraine, such as changes in the nature of economic activity and disruptions in supply chains

Due to the amount of trade with Russia and the reliance of EU countries on natural resources such as gas, crude oil, and food exports from Russia and Ukraine, the sanctions imposed and Russia's response have had a significant impact on the global economy. These actions have caused changes in the direction of the flow of raw materials and products, particularly by limiting the exchange of goods with Russia and Belarus and restricting transit between Europe and Asia via Russia, Belarus, and Ukraine. The logistics industry is also affected by these changes. The war in Ukraine indirectly affects GDP dynamics, including in Poland, the inflation rate, interest rates, and expectations regarding their changes, which influence consumer and business behaviours, currency exchange rates, the unemployment rate, average and median wages and incomes, as well as the fiscal and monetary policy of the European Union, including the countries where the Group's companies operate.

Retrospectively, the assessment of the impact of the war in Ukraine on the Group's operations does not indicate that it has had, or will have, a significant negative effect. Nevertheless, any adverse military developments in Ukraine could alter logistics routes and adversely impact the investment sentiment of customers, particularly in Poland and Romania, where the Group operates.

Risks related to operating in multiple jurisdictions

The Group has been present in the warehouse markets of Germany and Romania (Bucharest area) since 2017, and in Austria since 2021. Having expanded its business into those countries, it operates in four jurisdictions – Polish, German, Romanian and Austrian. Therefore, it needs to appropriately adjust its internal regulations, including those related to monitoring and reporting. Improper handling of foreign projects, or inadequate adjustment of internal regulations.

Risk of dependence on management personnel and key employees

The success of the Group's business depends to a large extent on its management staff, who have the knowledge and experience in running the business of developing, leasing and operating warehouse and manufacturing centres. Given that the people in management positions have the expertise necessary to run and develop the Group's business, with respect to search for and acquisition of new development sites and tenants with established standing on the market, as well as the development, marketing and management of logistics parks, the departure of any member of the Management Board or any key employee of the Group may have a negative impact on the Group's business and financial results. These factors may adversely affect the Group's ability to further develop its business or even complete projects already under way.

Risks related to the Group's dependence on its ability to actively manage assets

An important part of the Group's business is active asset management, which includes managing the vacancy rates and rent levels and the terms and conditions of lease contracts for all properties, as well as ensuring the desired tenant mix. Beside legal restrictions, the Group's ability to lease vacant space, renegotiate rents and achieve a desired tenant mix depends on market factors. Some of these factors, such as the general economic environment, consumer confidence, inflation and interest rates, are beyond the Group's control. During recessions or economic downturns, competition among investors and developers makes it more difficult to retain existing tenants and attract new ones. If the Group is unable to generate or capitalise on demand for its properties, it may be impossible for it to reduce vacancy rates or renegotiate rents to preferred levels.

If the vacancy rates are persistently high for a longer period of time, this could result in an overall reduction of rents paid by tenants, making it much more difficult to increase the average rents planned by the Group. Vacant space also increases the Group's overall operating expenses due to the need to cover costs generated by unoccupied properties or space. Any such decrease in rental income or increase in operating expenses may have a material adverse effect on the Group's financial position and results of operations.

Risks related to environmental liability

Under the applicable laws, an entity using the natural environment is obliged to take preventive and remedial measures to avoid or eliminate environmental damage. In addition, if an imminent threat of environmental damage or actual environmental damage were caused with the consent or knowledge of the landowner, the landowner is obliged to take preventive and remedial measures bearing joint and several liability with the entity using the environment that caused the damage. Failure to take appropriate action may result in an obligation to reimburse the cost that administrative bodies have incurred for preventive or remedial measures, and pay administrative fines. Furthermore, in order to carry out its projects, the Group must obtain a number of environmental permits and authorisations, waste management permits and water permits, and is required to pay charges for use of the environment.

The Company may be exposed to damage resulting from sudden and unforeseen environmental pollution caused by events related to civilisational progress (primarily technical disasters) or caused by forces of nature (natural disasters).

So far, the Company and the Group companies have complied with all environmental protection requirements stipulated in applicable laws, and tenants of their warehouse and manufacturing space have not conducted any activities harmful to the environment within the meaning of the environmental protection regulations. However, one cannot rule out the risk that in the future the Group companies may be required to pay damages, administrative fines or remediation costs as a result of environmental pollution on any land they own or have acquired. This could have a negative impact on the Group's business, financial position or results of operations.

Risk of legislative changes affecting the Group's market that may adversely affect the Company's business and financial position

The Group's business is subject to numerous laws and regulations, such as spatial planning and land development requirements (including local laws on zoning plans), construction codes, requirements for real property trade, seller's liability and land use restrictions. Changes in the legal system and frequency with which they are introduced may significantly affect the manner in which businesses operate and their financial results. This also applies to the Group's business, as investment projects in the property development industry depend on the fulfilment of numerous requirements under civil and administrative law (construction law, planning regulations, consumer law, local laws on zoning plans, etc.). The entry into force of any new regulation with a significant impact on business activity may cause direct and significant changes on the real property market through a substantial rise in project costs (e.g. a change in technical standards applicable to buildings) or a change in contracts with property buyers or tenants. Furthermore, the enactment of any new laws that are open to conflicting interpretations may give rise to uncertainty as to the actual legal situation, which may in turn entail temporary suspension of many projects prompted by concerns about the possible adverse consequences of applying such ambiguous regulations (such as financial losses or even criminal sanctions for actions or omissions made under the applicable laws which are then construed by courts or public administration authorities to the disadvantage of the business). These factors may have a material adverse effect on the Company's and the Group's business, financial position and results of operations, and consequently on the Company's ability to perform its obligations under the Notes.

Risk of changes in and unfavourable interpretation of tax laws

The Polish tax regime is highly unstable. The interpretation of those regulations by tax authorities and administrative courts is also subject to significant changes, which may have negative consequences for businesses which follow their previous known interpretations. The Group also operates in Romania, Germany, and Austria. Especially in Romania, the tax laws have undergone significant changes in recent years. They have been frequently changed, often to the disadvantage of taxpayers. The interpretation of tax regulations may be subject to similar changes. Such changes may not only involve increasing the applicable tax rates, but also introducing new specific legal instruments, expanding the scope of taxation, or even imposing new tax burdens, or limiting the ability to reduce the tax base. The changeable character of tax laws is also due to the need for countries in which the Group operates to implement new measures provided for in the EU law or obligations assumed by OECD countries. Frequent changes in the laws governing business taxation, as well as their divergent and changing interpretations by tax authorities, may prove unfavourable to Noteholders and the Company.

Risk related to loss of anchor tenants

Attracting solid tenants, especially anchor tenants, for the Group's logistics parks is critical to achieving its commercial success. Anchor tenants are vitally important for further growth of its logistics parks. The Group may have difficulty attracting tenants during economic downturns or when competing with other parks. Moreover, the termination of a lease contract by any of the anchor tenants may diminish a park's attractiveness. If a tenant defaults on the lease contract, is declared bankrupt or placed under restructuring, there may be (temporary or long-term) delays in rent payments or a decline in rental income, which the Group may be unable to offset due to difficulty in finding a suitable replacement tenant. If the Group is unable to renew the existing lease contracts with anchor tenants or quickly replace them with new tenants of a comparable quality, it may incur significant additional costs or lose some of its income, which in turn could have an adverse effect on the Group's business, financial position and results of operations.

Risk of deterioration of tenants' financial position due to external factors

The financial position of tenants may deteriorate due to a negative change in their economic situation regardless of the quality of their own operations. This may result from an overall deterioration in the economic climate on the market where they operate, a decline in demand, as well as their deteriorated payment position or insolvency, including due to revaluation of assets or remeasurement of liabilities or an increase in cost burden resulting from a depreciation of the currency in which they settle accounts with their customers, an increase in interest rates or other events beyond their control which affect the entire group of tenants given the type of their business, the market where they operate, or the manner in which their assets are financed. This may render them unable to meet their obligations under the lease contracts with Group companies. The materialisation of this risk may lead to a significant deterioration of the Group's financial position and the Company's ability to make payments under the Notes.

Risks associated with tenants' operations in logistics parks

The Group companies lease warehouse and manufacturing space to tenants engaged in various businesses. In their lease contracts, tenants agree to hold business liability insurance policies. However, it cannot be ruled out that aggrieved parties may experience problems in pursuing claims for damages against tenants for damage caused in connection with their business, in particular any business activities that may cause environmental damage, or damage resulting from defective workmanship of warehouse units. Such a situation may give rise to civil claims against Group companies as the owners of land and facilities where business activities giving rise to third-party damage claims are conducted, and may have an adverse effect on the Group's business, financial position or results of operations. As at the date of signing these risk factors, none of the tenants of real property located on the premises of active logistics parks is engaged in business activities which are considered dangerous.

Risk related to the supply of utilities to properties leased by Group companies

All the logistics parks have access to utilities adequate to meet the tenants' current demand. Also properties purchased by the Company or Group companies can be connected to utilities of a similar type. However, it cannot be ruled out that in the future, due to an increase in demand for utilities, the current volumes will prove insufficient, while the volumes planned for new projects may turn out to be underestimated. This could have a negative impact on the Group's business, financial position or results of operations.

2. 2.2 Business development prospects

MLP Group's strategic goal is to continuously expand its warehouse space portfolio in the European market, specifically in Poland, Germany, Austria, and Romania, and to enter new markets, i.e. the Benelux countries.

The Group aims to achieve its strategic objectives by constructing the following types of buildings:

- (1) big-box warehouse facilities, primarily addressing e-commerce growth and increased demand from light industry customers, driven by such factors as relocation of production from Asia to Europe; and
- (2) city logistics projects as assets with a high potential for growth driven by rapid growth of the e-commerce business; The Group responds to this demand by offering: smaller warehouse units (ranging from 700 sqm to 2,500 sqm), located within or close to city boundaries with easy access to labour and public transport.

The strategic goals of MLP Group were announced in Current Reports No. 10/2024 of 28 March 2024 and 10/2024/K of 4 March 2024.

Experts of the Polish Economic Institute forecast Poland's GDP growth in 2024 at 2.6%. According to the National Bank of Poland's July projection, the average annual inflation rate will be 3.1-4.3% in 2024, and is expected to go up to 4.6% in 2025. Statistics Poland has announced that the annual inflation rate in June 2024 was 2.6%. The most significant driver of the consumer price index was food.

MLP Group has taken measures to mitigate various risks, including the current high prices. The Group's commercial rents are automatically adjusted based on the HICP inflation index, as stipulated in the contracts with tenants. MLP Group is also resilient to currency risk thanks to a natural hedging strategy, as rents are expressed or denominated in the euro, which is also the currency of contracts with general contractors and financial liabilities. Moreover, the property portfolio is also valued in the euro. With respect to its interest rate risk exposure, the Group has in place an IRS or fixed interest rate locked in for five years to hedge cash flows related to repayment of its credit facilities. The hedging covers 80% of liabilities under the Group's credit facility agreements.

MLP Group is optimistic about the future of the warehouse market in all the countries where it operates. Demand for state-of-the-art warehouse and manufacturing space remains high. Russia's aggression in Ukraine is leading to shorter supply chains, higher levels of warehouse stocks, and relocation of production from conflict zones. Ukrainian businesses and international companies operating in Ukraine will relocate warehouses to other countries, including Poland. Also, foreign companies are withdrawing from the Russian market. This will increase demand for warehouse and logistics space in Poland and other markets served by MLP Group.

Warehouse space market in the six months ended 30 June 2024

- **Poland**

Despite a slowdown in growth momentum, Poland remains one of the fastest-growing industrial and logistics property markets in Europe. After the second quarter of 2024, the total supply of modern industrial and logistics space exceeded 32.8 million sqm, marking a 9% increase compared to mid-2023. In the second quarter alone, 786 thousand sqm of new space was completed, which is a 14% increase year on year. However, the cumulative total for the first two quarters of the year was 1.6 million sqm, a 36% decrease year on year.

Currently, over 1.97 million sqm of new industrial and logistics space is under construction, which is 7% less than after the second quarter of 2023. A decline is also evident in the number of new construction projects started in the second quarter, a decrease of approximately 31% compared to the same period last year, partly due to the relatively high vacancy rate, which reached 8.3% in the second quarter, up 1.7pp from the previous year.

Total tenant activity (gross demand) in the second quarter exceeded 1.81 million sqm, while net demand (excluding lease renegotiations) amounted to 1.06 million sqm. This represents a substantial increase of nearly 100% from the first quarter of 2024 and an 83% rise compared to the second quarter of last year. Over the first half of this year, total demand reached 2.7 million sqm up 24% year on year.

Following a period of rapid growth in 2022, base rents in the industrial and logistics sector have now stabilised. For modern warehouse space in Poland's key regions, tenants can expect base rents between EUR 3.9 and EUR 5.4 per square metre per month. In Warsaw, within the city limits, base rents can reach up to EUR 7.5 per square metre per month.

Source: Poland Industrial and Logistics Figures Q2 2024, CBRE Research

- **Germany**

In the first half of 2024, demand in the German industrial and logistics property market reached 2.3 million sqm, an 8.1% reduction compared with the same period in 2023. Demand in the top 5 markets remained steady at 661.6 thousand sqm (increase of 0.8%), while demand in the rest of the market fell by 11%, totalling 1.66 million sqm.

Demand from logistics companies saw a 12.5% drop, and now they account for 32% of the market. Demand from manufacturing companies also experienced a decline, by 9.8%, (market share of 29%). On the other hand, in the case of retail (including e-commerce) companies, demand grew by 15.8% (market share of 33%).

The vacancy rate for big-box facilities rose by 0.5pp in the second quarter of 2024, reaching 3.2%. In central Germany and Berlin, vacancy rates at big-box projects stood at 4.2% on average, and remained lower than in the more sought-after logistics markets in western Germany, which also have fewer new developments underway.

In the second quarter of 2024, average rents for prime logistics properties increased by 20 cents, reaching EUR 8.71 per square metre per month. This represents a 6.3% increase compared to the end of the second quarter in 2023.

Source: Deutschland Logistikmarkt Q2 2024, CBRE Research

- **Romania**

By the end of the first half of 2024, Romania's modern logistics property market had expanded to 7.47 million sqm. Since the beginning of the year, new supply has reached around 250 thousand sqm of leasable space, a 12% increase compared to the same period in 2023.

Bucharest continues to dominate as the country's warehouse facilities centre, with a 48% share of total leasable space offered. The city's modern industrial property stock now stands at 3.58 million sqm, following the addition of 81.9 thousand sqm in the first half of 2024.

Romania's anticipated full integration into the Schengen zone is expected to further boost its attractiveness to logistics operators. While the decision to eliminate control at the country's land borders is expected soon, the exact timing remains unclear.

The vacancy rate for Romania's modern industrial and logistics properties was 5.6% at the close of the first half of 2024, a 0.6pp increase from the same time last year. In the Bucharest region, the vacancy rate is slightly higher, at 6.5%, up 0.7pp year on year.

Total leasing activity (TLA) in Romania during the first half of 2024 reached 406.4 thousand sqm, representing a 29% drop compared with the same period in 2023 and a 16% decline from the first half of 2022. The average transaction size is around 5.6 thousand sqm.

Asking rents have held steady at EUR 4.50 per square metre per month, the same as at the end of 2023, but EUR 0.25 higher than in the first half of 2023. Net effective rents have also remained stable since the beginning of the year, at EUR 4.10 per square metre per month for a standard 5,000 square metre unit. A modest increase in asking rents for industrial and logistics space is anticipated by year-end.

Source: Market Outlook H1 2024 Romania Real Estate, CBRE Research

- **Austria**

In the first half of 2024, the Austrian logistics property market saw demand totalling 95 thousand sqm, marking a roughly 50% drop compared with the same period in 2023. However, this decline should be considered in light of the exceptionally high figures from the record-setting year of 2023 and the current economic climate. A drop in demand has already been observed in other European countries, and this trend has now reached the Austrian market as well.

Around 111 thousand sqm of new logistics space was completed in Austria during the first half of the year, with roughly three-quarters of that located in the Vienna area. It is expected that 2024 will set a new record for the volume of newly completed logistics space.

The vacancy rate in the logistics property market in the broader Vienna region stood at approximately 2% in the first half of 2024, which is still quite low. However, given the higher supply relative to the expected turnover, the vacancy rate is likely to increase again by the end of the year.

Due to an upgrade of technical standards of the properties, base rents saw a slight increase, rising to EUR 7 per square metre per month.

Source: Austria Logistics Figures H1 2024, CBRE Research

3. Financial position of the Group; management of financial resources

3.1 Key economic and financial data disclosed in the Group's interim consolidated financial statements for the six months ended 30 June 2024

3.1.1 Selected financial data from the interim consolidated statement of financial position

Structure of the interim consolidated statement of financial position (selected material items):

	<i>as at</i>	30 June 2024	% share	31 December 2023	% share	Change (%)
ASSETS		5 526 402	100%	5 089 628	100%	9%
Non-current assets		5 177 250	94%	4 667 657	92%	11%
Including:						
Investment property		5 056 977	92%	4 541 505	89%	11%
Other long-term investments		86 486	2%	87 481	2%	-1%
Current assets		349 152	6%	421 971	8%	-17%
Including:						
Short-term investments		10 194	0%	1 722	0%	-
Trade and other receivables		80 816	1%	64 315	1%	26%
Other short-term investments		3 973	0%	8 610	0%	-54%
Cash and cash equivalents		250 611	4%	344 247	7%	-27%

	<i>as at</i>	30 June 2024	% share	31 December 2023	% share	Change (%)
EQUITY AND LIABILITIES		5 526 402	100%	5 089 628	100%	9%
Total equity		2 677 534	48%	2 395 628	47%	12%
Non-current liabilities		2 294 484	42%	2 351 692	46%	-2%
Including:						
Borrowings and other debt instruments, and other non-current liabilities		1 883 274	34%	1 986 579	39%	-5%
Current liabilities		554 384	10%	342 308	7%	62%
Including:						
Borrowings and other debt instruments		369 098	7%	206 080	4%	79%
Trade and other payables		179 256	3%	127 464	3%	41%

As at 30 June 2024, the Group's investment property, comprising logistics parks, continued to be the key item of the Group's assets, accounting for 92% of the total. Liabilities under borrowings and other debt instruments and equity were the largest items of total equity and liabilities, representing 48% and 41% of the total, respectively.

The increase in liabilities under borrowings and other debt instruments was mainly attributable to the issue of new Series G notes worth EUR 41,000 thousand. At the same time, the Group redeemed EUR 20,000 thousand worth of Series D notes at maturity and EUR 4,000 thousand worth of Series E notes, contracted new credit facilities and made further drawdowns under existing credit facility agreements:

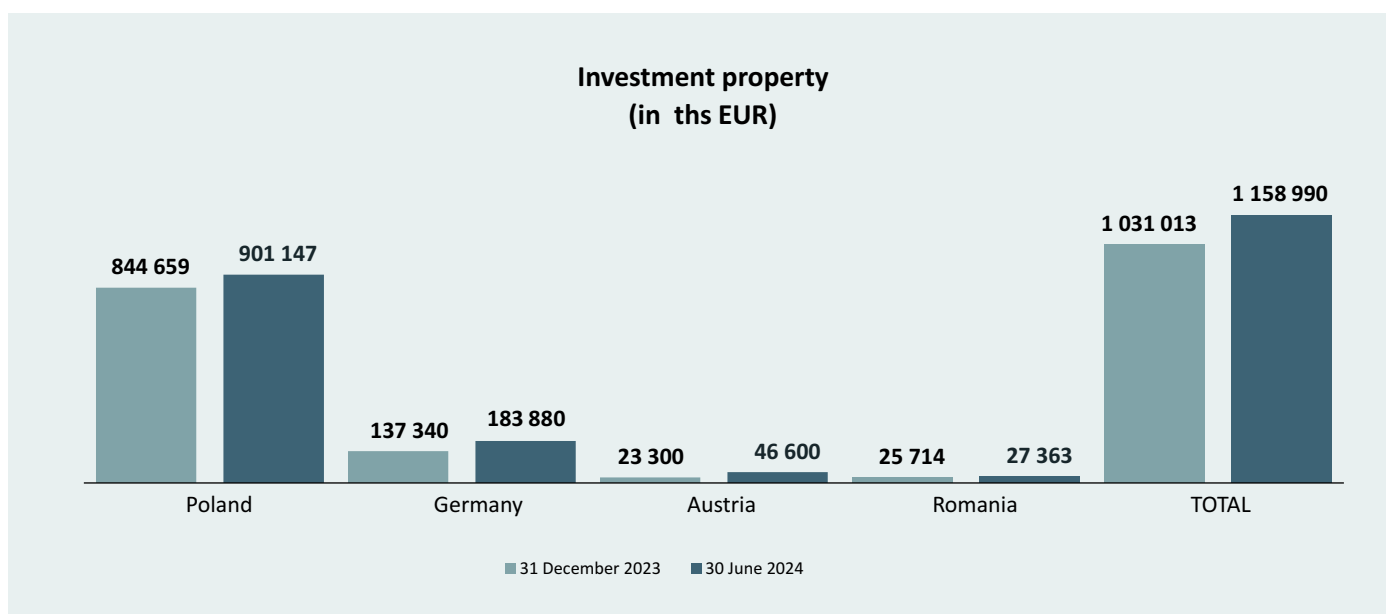
- new credit facility agreement signed with ING Bank Śląski S.A. in April 2024 by the subsidiaries MLP Poznań and MLP Poznań II; the facility amount is EUR 15.2 million (including EUR 13.3 million to refinance existing debt).



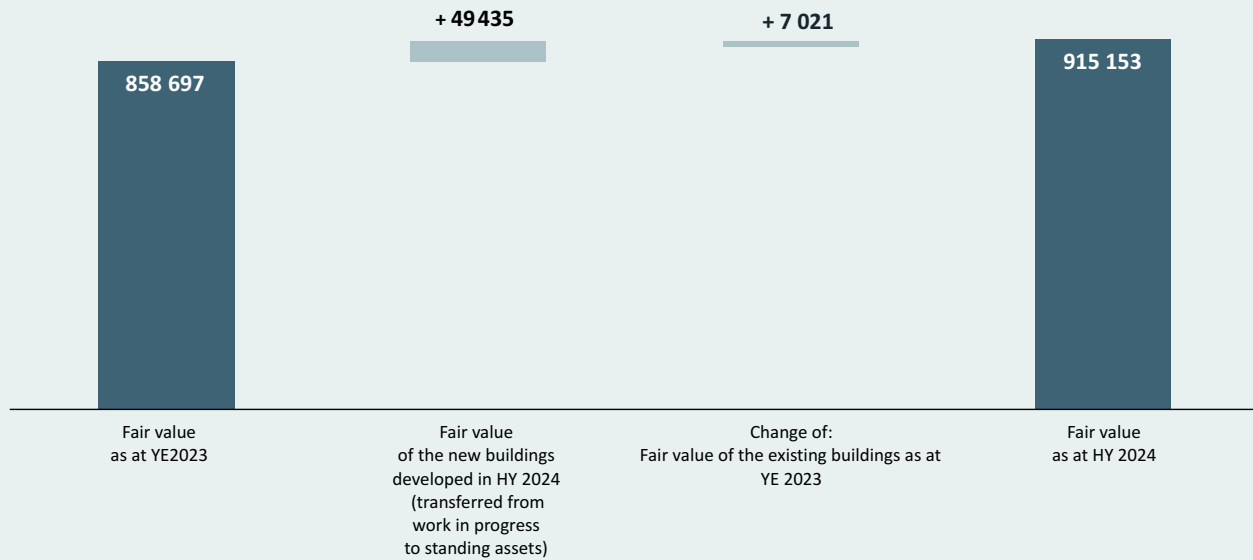
	30 June 2024 [EUR thousand]	30 June 2024 [PLN thousand]	31 December 2023 [EUR thousand]	31 December 2023 [PLN thousand]	Change [EUR thousand]
Logistics park					
POLAND	901 147	3 886 645	844 659	3 672 575	56 488
GERMANY	183 880	793 074	137 340	597 154	46 540
AUSTRIA	46 600	200 986	23 300	101 308	23 300
ROMANIA	27 363	118 017	25 714	111 805	1 649
Total	1 158 990	4 998 722	1 031 013	4 482 842	127 977

* Property value net of perpetual usufruct of land and residential properties.

According to valuations made as at 30 June 2024, the total value of the Group's property portfolio was EUR 1,158,990 thousand (PLN 4,998,722 thousand), having increased by EUR 127,977 thousand relative to 31 December 2023. The change was primarily driven by (i) the completion and delivery of 72 thousand sqm of new space in Poland, and (ii) the construction of new buildings with a total area of 70 thousand sqm in Poland and Austria.



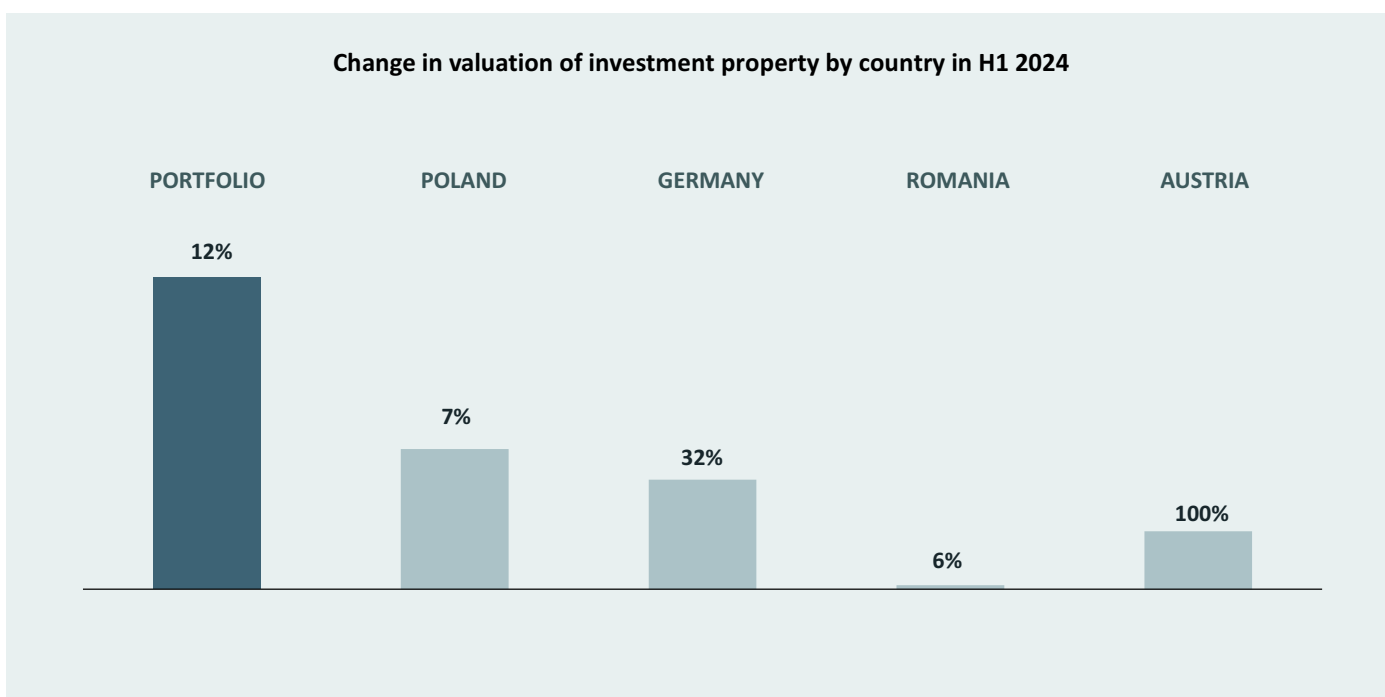
Change of fair value (in ths EUR) – existing buildings



The higher valuation of existing buildings in the first half of 2024 was driven by: (i) valuation of properties that were transferred from construction in progress in 2023 to existing buildings (EUR 49,435 thousand), and (ii) an EUR 7,021 thousand increase in the valuation of existing buildings.

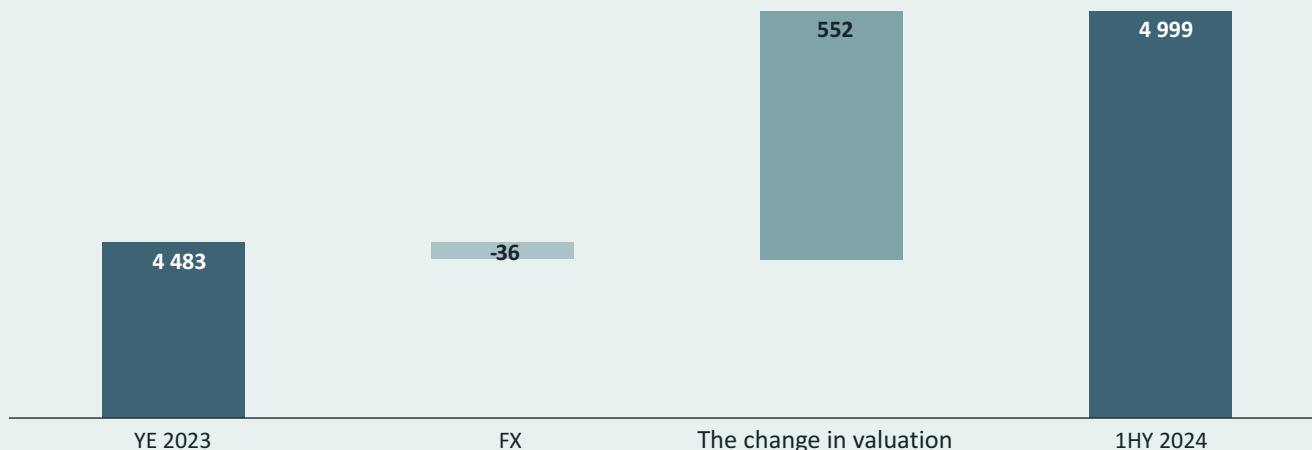
	1H 2024	YE 2023	Change
Reversionary Yield	6,41%	6,46%	-5 bps
Poland	6,62%	6,61%	1 bps
Germany	5,39%	5,08%	31 bps
Romania	7,75%	7,75%	0 bps
Austria*	4,55%	n/a	n/a

*The project in Austria obtained construction permits and as at 31.12.2023 the land was appraised using the comparative method



The chart above does not include perpetual usufruct of land and residential properties.

Change in property valuation in the first half of 2024 (in mn PLN)*



*The chart above does not include the value of perpetual usufruct and residential real estate.

*MLP Group values its real estate portfolio twice a year, i.e., as of June 30 and December 31

The valuation adjustment of PLN 515,472 thousand in the six months ended 30 June 2024 reflects an increase based on the independent appraiser's valuation.

Factors contributing to the change:

1. increase of PLN 552,004 thousand in the fair value of the property portfolio (including PLN 246,945 thousand fair value change corresponding to the amount of expenditure incurred in the reporting period, and PLN 305,059 thousand change in excess of the expenditure amount),
2. foreign exchange losses of:
 - (i) PLN 6,491 thousand on the translation of the foreign property portfolio,
 - (ii) PLN 29,596 thousand on the translation of the Polish property portfolio.
3. depreciation of perpetual usufruct of land (recognised as finance lease in accordance with IFRS 16) of PLN 445 thousand.

Investments and other investments

	as at	30 June 2024	31 December 2023
Other long-term investments		44 661	37 803
Long-term loans		17 240	16 922
Receivables from measurement of Swap contracts		24 585	34 478
Other short-term investments		297	8 610
Total investments and other investments		86 783	97 813

Other long-term investments comprise the long-term portion of restricted cash of PLN 44,661 thousand, including: (i) cash of PLN 44,661 thousand set aside pursuant to the terms of credit facility agreements to secure payment of principal and interest, (ii) a PLN 9,756 thousand deposit comprising a security deposit retained from a tenant, (iii) cash of PLN 214 thousand set aside on the CAPEX account, (iv) other retained security deposits of PLN 4,459 thousand, and (v) a PLN 136 thousand bank guarantee.

Other short-term investments comprise the short-term portion of restricted cash of PLN 3,973 thousand, including: the short-term portion of retained security deposits of PLN 3,387 thousand, the short-term portion of funds set aside pursuant to the terms of credit facility agreements of PLN 289 thousand, and a bank guarantee of PLN 297 thousand.

Cash

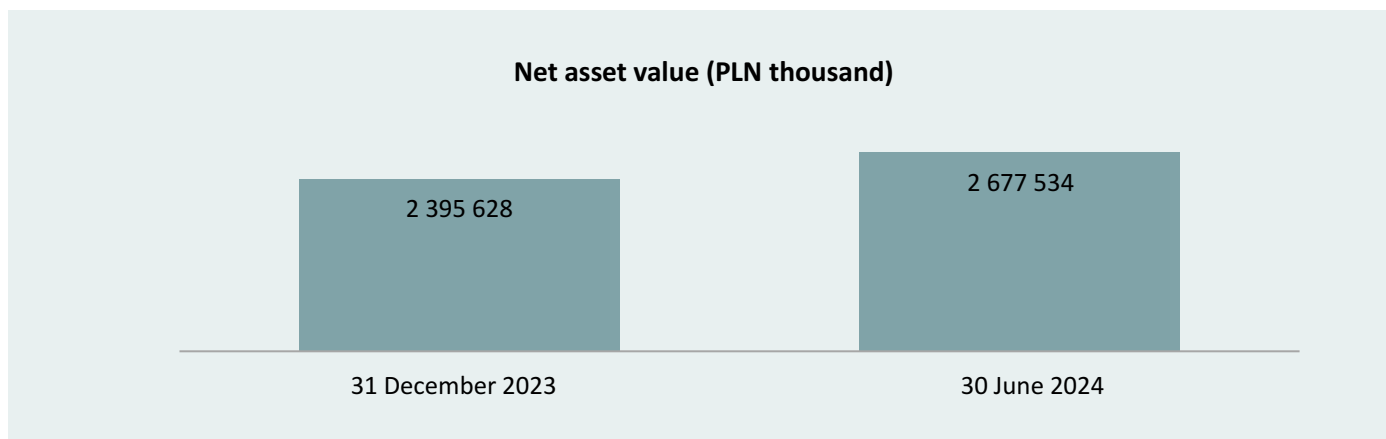
<i>as at</i>	30 June 2024	31 December 2023
Cash in hand	92	117
Cash at banks	250 519	225 321
Short-term deposits	-	118 809
Cash and cash equivalents in the consolidated statement of financial position	250 611	344 247
Cash and cash equivalents in the consolidated statement of cash flows	250 611	344 247

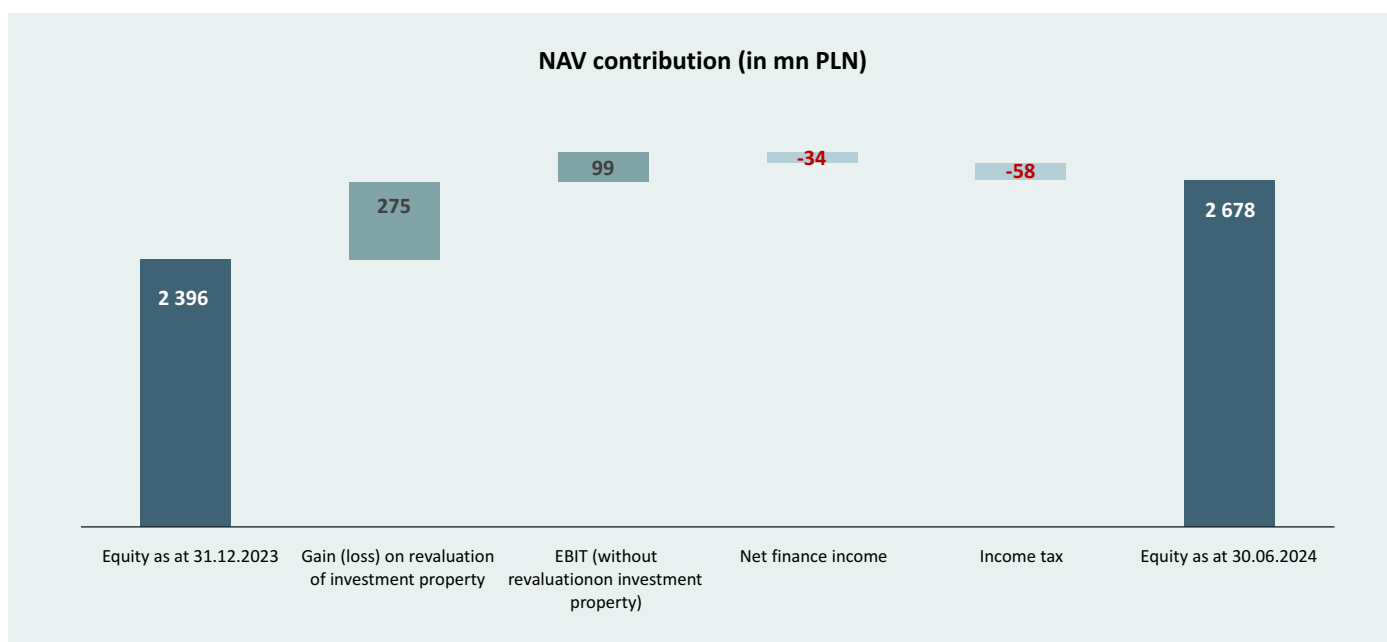
Cash and cash equivalents disclosed in the condensed consolidated statement of financial position include cash in hand and bank deposits with original maturities of up to three months.

As at 30 June 2024, the balance of cash was PLN 250,611 thousand, having decreased by PLN 93,636 thousand on 31 December 2023.

Equity

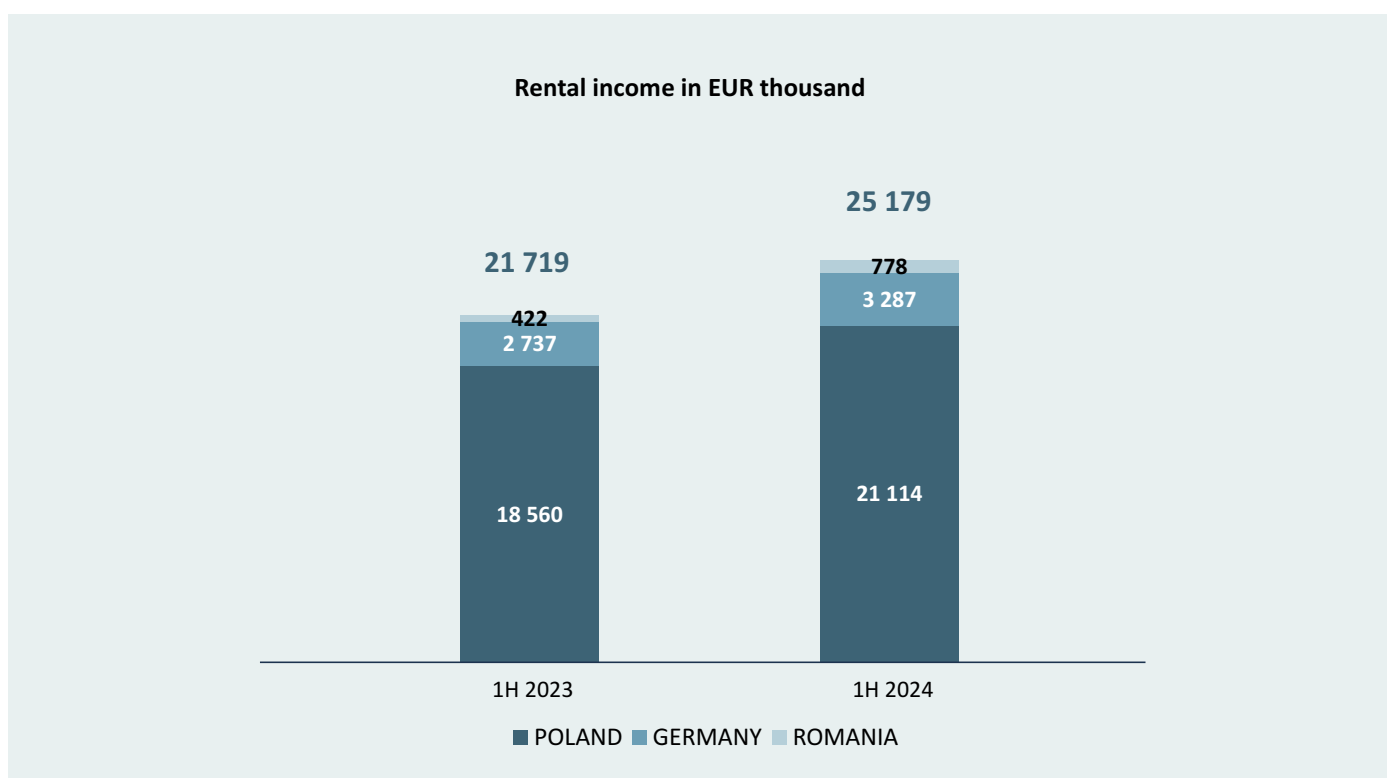
Net assets (NAV)



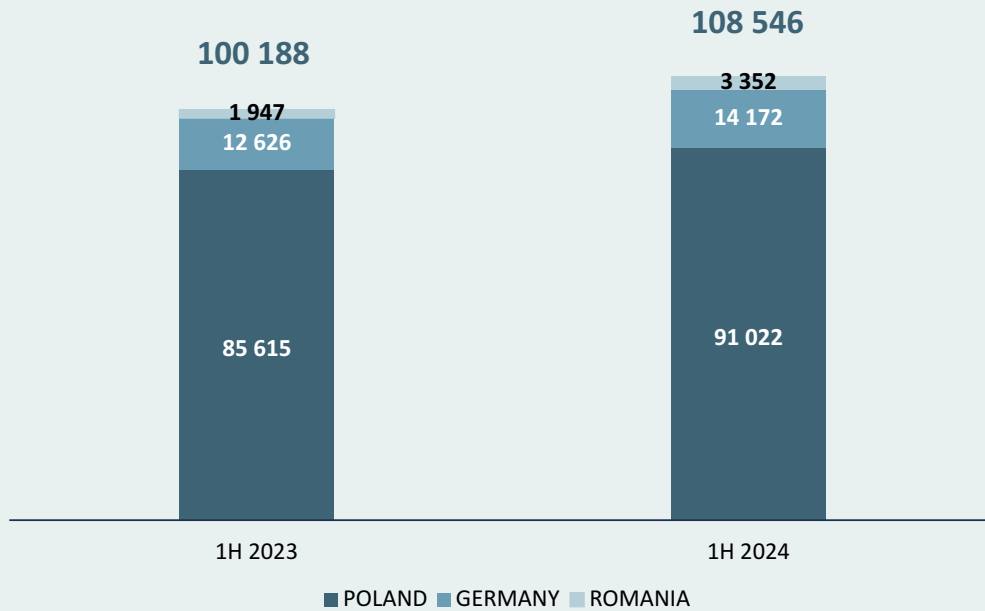


As at 30 June 2024, the net asset value was PLN 2,677,534 thousand, up by PLN 281,906 thousand (11%).

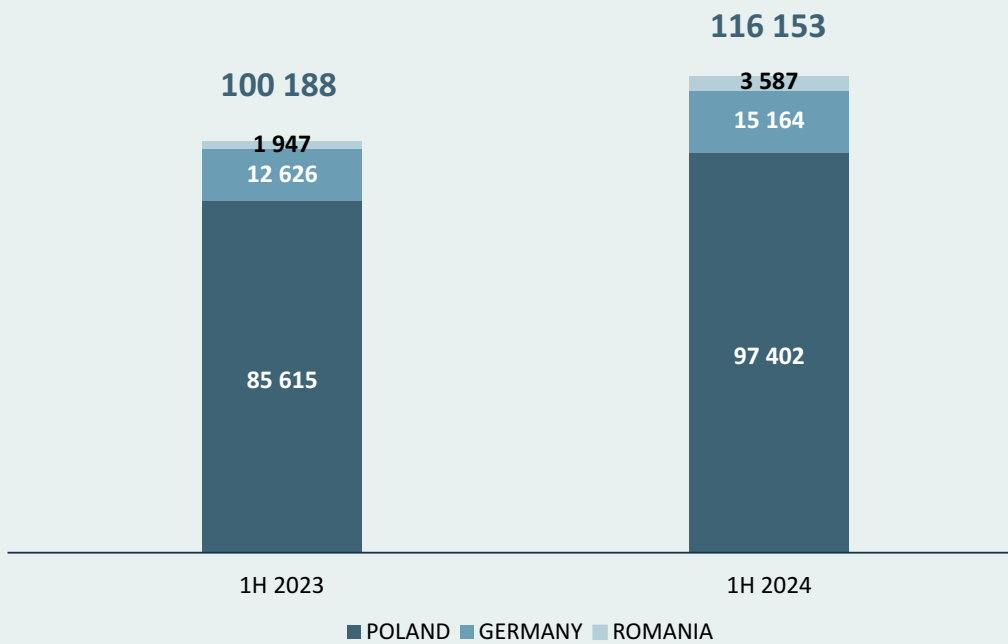
EBIT excluding effect of revaluation was PLN 98,709 thousand as at 30 June 2024, having increased by 2% year on year (2023: PLN 96,850 thousand). Factoring out the negative effect of foreign exchange differences on rental income, caused by the appreciation of the zloty against the euro, the improvement in EBIT would have been 8%, with rental income denominated in the euro as a key contributor to this result. Had the rental income for the six months ended 30 June 2024 been converted at the average exchange rate from the first half of 2023, it would have been PLN 7.6 million higher, as shown in the charts below.



**Rental income in PLN thousand
 converted at actual exchange rate**



**Rental income in PLN thousand after elimination of exchange differences
 2024 figures translated at 2023 exchange rate**



	EPRA NRV		EPRA NTA		EPRA NDV	
	30 June 2023	30 December 2023	30 June 2023	30 December 2023	30 June 2023	30 December 2023
PLN million	3 057	2 726	3 056	2 726	2 678	2 396
PLN/share	127,4	113,6	127,4	113,6	111,6	99,8

- EPRA NRV** The EPRA Net Reinstatement Value is a measure of net asset value aimed at reflecting the cost required to rebuild the entity, assuming the entity will not sell its assets.
- EPRA NTA** EPRA Net Tangible Assets is a measure of net asset value, assuming entities buy and sell assets, thereby crystallising certain levels of deferred tax liability. It is calculated as total equity minus non-controlling interests, excluding derivatives measures at fair value and deferred tax on properties (unless such an item is related to assets held for sale).
- EPRA NDV** EPRA Net Disposal Value is a measure of net asset value under the assumption that the entity will sell its assets.



Share capital

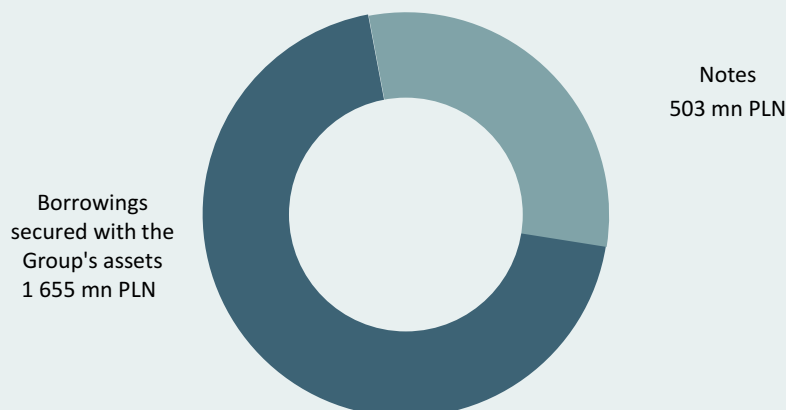
Share capital [number of shares]	<i>as at</i>	30 June 2024	31 December 2023
Series A shares		11 440 000	11 440 000
Series B shares		3 654 379	3 654 379
Series C shares		3 018 876	3 018 876
Series D shares		1 607 000	1 607 000
Series E shares		1 653 384	1 653 384
Series F shares		2 621 343	2 621 343
Total		23 994 982	23 994 982
Par value per share [in PLN]		0,25 PLN	0,25 PLN

As at 30 June 2024, the Parent's share capital amounted to PLN 5,998,745.50 and comprised 23,994,982 shares conferring 23,994,982 voting rights in the Company. The par value per share is PLN 0.25. The entire capital has been paid up.

Liabilities under borrowings and other debt instruments, and other liabilities

	<i>as at</i>	30 June 2024	31 December 2023
Borrowings secured with the Group's assets		1 611 605	1 568 901
Notes		176 833	321 752
Non-bank borrowings		17 275	16 952
Total non-current liabilities under borrowings and other debt instruments		1 805 713	1 907 605
Finance lease liabilities (perpetual usufruct of land)		57 937	58 382
Liabilities from measurement of interest rate hedges		1 949	3 959
Performance bonds, security deposits from tenants and other deposits		16 883	16 272
Lease liabilities (vehicles)		792	361
Total other non-current liabilities		77 561	78 974
Short-term bank borrowings and short-term portion of bank borrowings secured with the Group's assets		43 072	94 643
Notes		325 819	111 248
Total current liabilities under borrowings and other debt instruments, and other current liabilities		368 891	205 891
Liabilities under borrowings and other debt instruments, and other liabilities		2 252 165	2 192 470

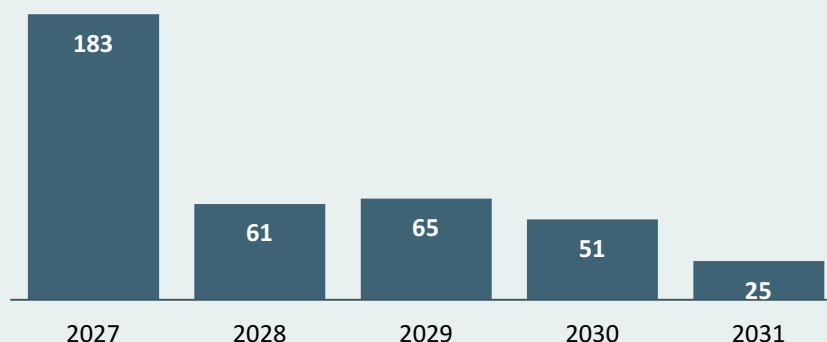
Liabilities under borrowings and other debt instruments represent a significant portion of the Group's total equity and liabilities. The Group uses bank credit mainly to finance construction of new facilities in the existing logistics parks. Proceeds from the issue of corporate notes are invested in new land assets.



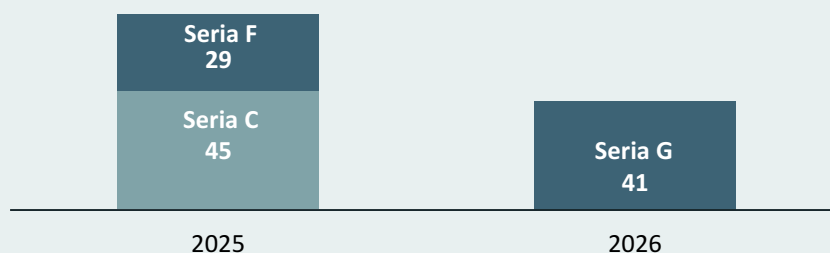
The primary factors driving the amount of liabilities under borrowings and other debt instruments, and other liabilities were:

- issue of EUR 41,000 thousand worth of new Series G notes, partly offset by the redemption of EUR 4,000 thousand worth of Series E notes and EUR 8,600 thousand worth of Series D notes, new credit facilities contracted and further drawdowns under existing credit facility agreements:
- new credit facility agreement signed with ING Bank Śląski S.A. in April 2024 by the subsidiaries MLP Poznań Sp. z o.o. and MLP Poznań II Sp. z o.o.; disbursements under the facility made in 2024 totalled EUR 15,177 thousand;
- new credit facility agreement signed with Erste Bank der oesterreichischen Sparkassen in June 2024 by the subsidiary MLP Business Park Wien GmbH; no disbursements have yet been made under the facility;
- disbursement of another loan under the credit facility with Santander Bank Polska S.A. to MLP Łódź II Sp. z o.o. in April 2024; the loan amount was EUR 1,965 thousand.

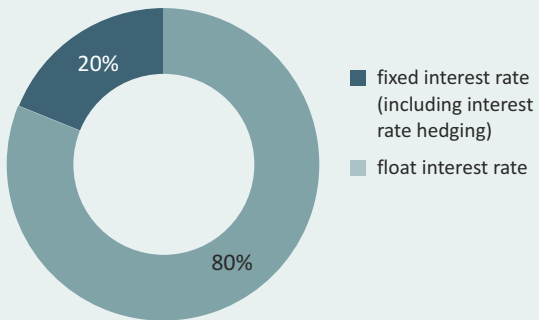
Existing bank loans by maturity in EUR mn



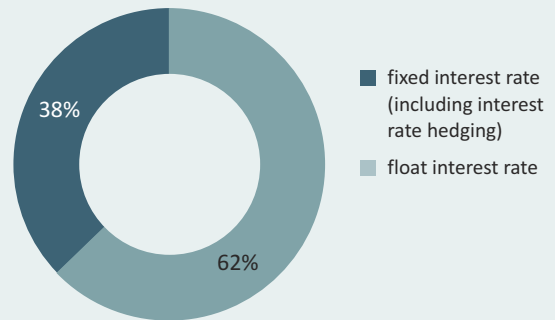
Bonds by maturity in EUR mn



Bank loans



Bank loans & Bonds



Almost 80% of the credit facilities are hedged with IRS contracts for the next four years, resulting in limited exposure of interest rate fluctuations.



3. 1.2 Selected financial data from the interim consolidated statement of profit or loss

Interim Consolidated statement of profit or loss for the six months ended 30 June 2024 and the corresponding period of 2023

<i>for the six months ended 30 June</i>	2024	% sales	2023	% sales	Change (%)
Rental income*	108 546	100%	100 188	100%	8%
Revenue from property management services*	79 127	73%	85 509	85%	-7%
Costs of self-provided property management services*	(70 319)	-65%	(69 288)	-69%	1%
Gross operating profit/(loss)*	117 354	108%	116 409	116%	1%
Selling, general and administrative expenses*	(22 058)	-20%	(20 622)	-21%	7%
Gain/(loss) on revaluation of investment property	275 013	253%	(227 747)	-227%	-221%
Other income	4 675	4%	4 057	4%	15%
Other expenses	(1 262)	-1%	(2 994)	-3%	-58%
Operating profit/(loss) before gain/(loss) on revaluation of investment property	373 722	344%	(130 897)	-131%	-386%
Net finance income/(costs)	(34 490)	-32%	28 390	28%	-221%
Profit/(loss) before tax	339 232	313%	(102 507)	-102%	-431%
Income tax	(57 592)	-53%	19 767	20%	-391%
Net profit/(loss)	281 640	259%	(82 740)	-83%	-440%
EBITDA excluding effect of revaluation	99 092		97 172		
EPRA Earnings	58 343		99 513		
EPRA Earnings adjustments for the Group (exchange differences, depreciation and amortisation adjusted for deferred tax)	(9 739)		(46 083)		
Company adjusted EPRA Earnings	48 604		53 430		
Company adjusted EPRA Earnings per share	2,0		2,31		
FFO*	40 865		57 995		

* FFO represents profit before tax adjusted for depreciation and amortisation, changes in fair value of investment properties, net interest expense, exchange differences, other adjustments related to one-off items included in other operating activities, gains or losses on sale of property, plant and equipment, and then reduced by interest paid on borrowings (including fixed-rate interest rate swaps), notes, notes and leases, and increased by interest received and income tax paid or refunded.

<i>for the six months ended 30 June</i>	2024	2023
Earnings per share:		
- Basic earnings per share (PLN) for the period attributable to holders of ordinary shares of the Parent	11,74	(3,45)
Diluted earnings per share (PLN) for the period attributable to holders of ordinary shares of the Parent	11,74	(3,45)

<i>for the six months ended 30 June</i>	2024	2023	change (%)
Rental income from investment property	108 546	100 188	8,3%
Recharge of service charges	38 343	36 298	5,6%
Recharge of utility costs	39 187	48 162	-18,6%
Other revenue	1 597	1 049	52,2%
Rental income	187 673	185 697	1,1%

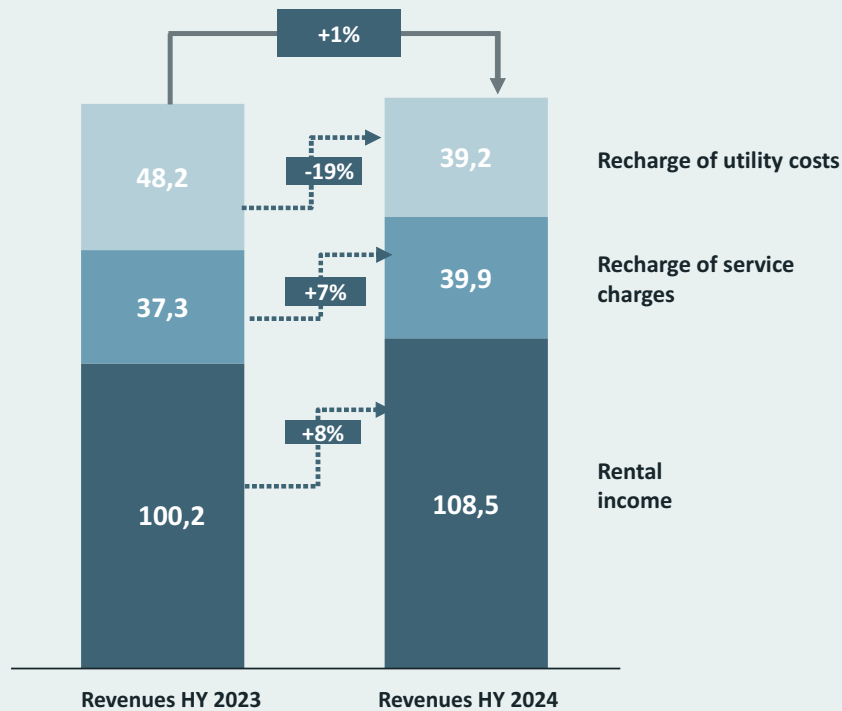
Rental income from investment properties is the main source of the Group's revenue. Rental income for the six months ended 30 June 2024 was reported at PLN 108,546 thousand, an increase of 8.3% year on year. The growth in rental income (up by PLN 8,358 thousand) was primarily due to: (i) the delivery of a total of 90 thousand sqm of leased space between 30 June 2023 and 30 June 2024, (ii) the renewal of lease contracts expiring in 2024, and (iii) the indexation of rents (5.4%).

Like-for-like growth for 2024 was -1.0%, mainly due to appreciation of the zloty against the euro (-6.6%). After elimination of exchange differences, like-for-like growth would be +5.5%. This is mainly a result of the indexation of rent rates, while the increase of 0.1% attributable to new and renegotiated contracts was adjusted for:

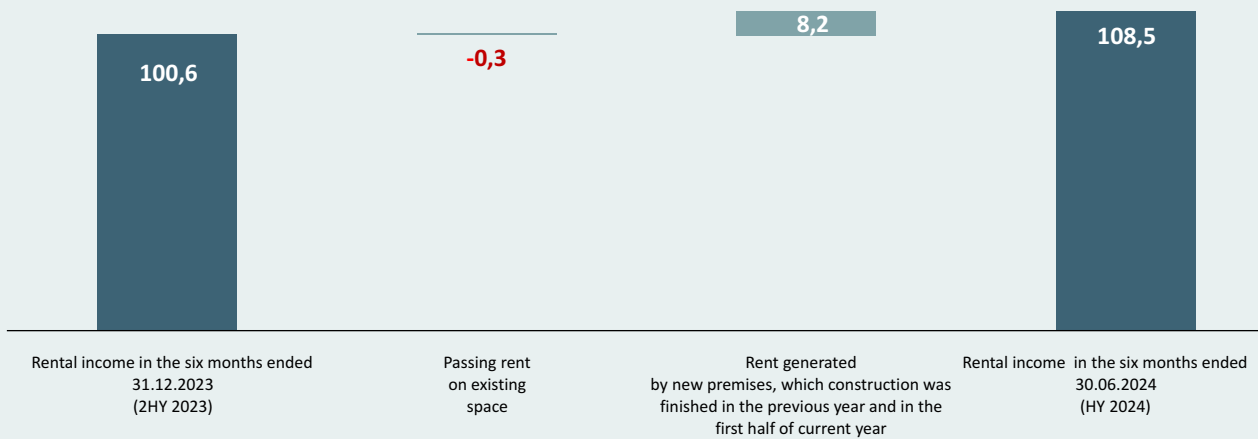
- space being fitted out for new tenants and thus not generating rental income in the first half of 2024 (which was leased in the first six months of 2023),
- in the comparative period, i.e. the six months ended 30 June 2023, some lease contracts included increased rent for higher standard, which was settled before the renegotiation of the contracts for another period, and therefore the renegotiated rates do not include depreciation of capital expenditure incurred on property improvements under the original contract.

The revenue generated from recharging costs of utilities and service charges is to tenants consistent with the costs of procuring utilities and property maintenance costs. The revenue from recharging costs of utilities went down by 18.6%, and revenue from recharging service charges increased by 5.6% year on year.

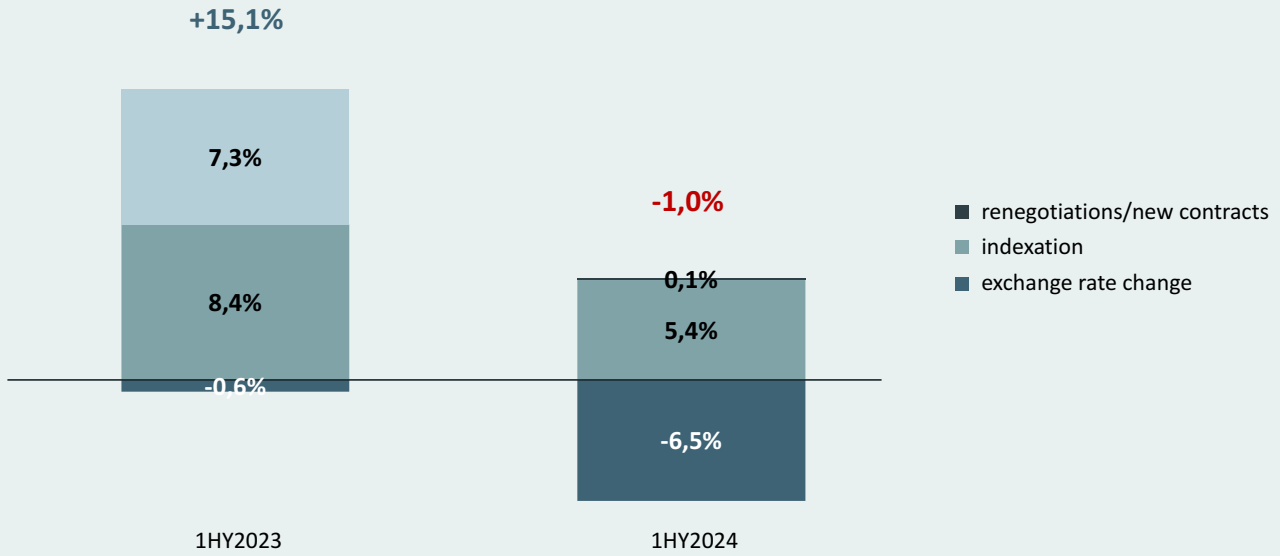
Change in key items of revenue in H1 2023 and H1 2024 (PLN million)



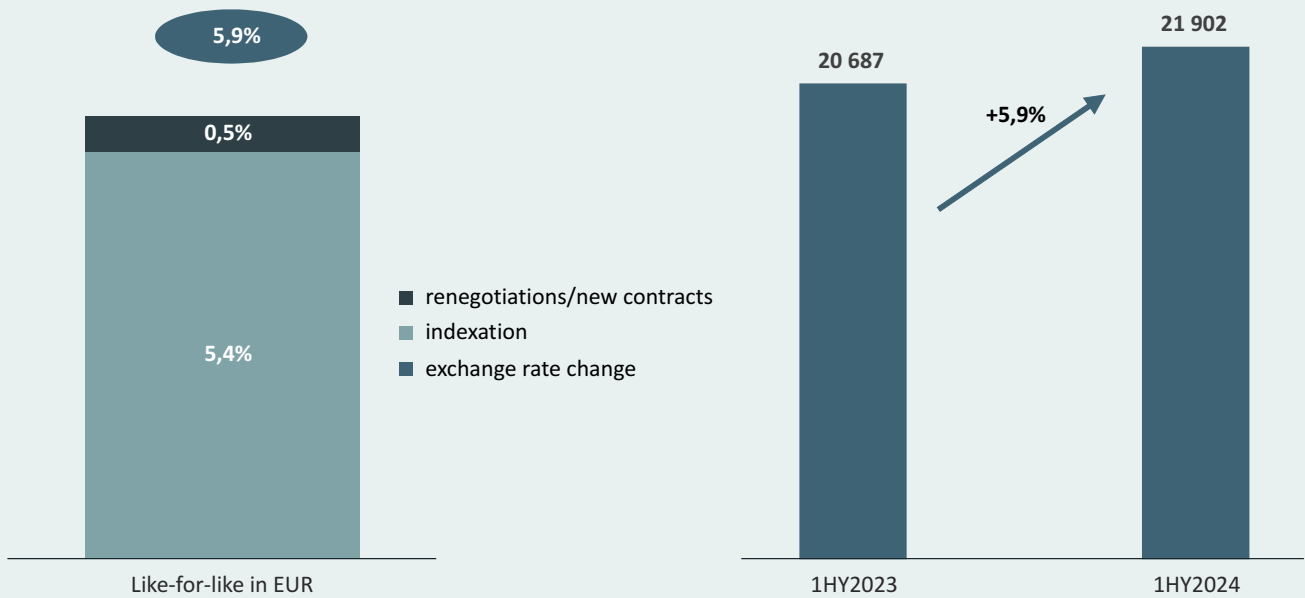
Rental revenues in PLN mn



Like-for-like rental growth Main drivers



Like-for-Like Rental Income Growth- main drivers in EUR for H1 2024



Annualized future rental income based on all signed contracts (in mn PLN)

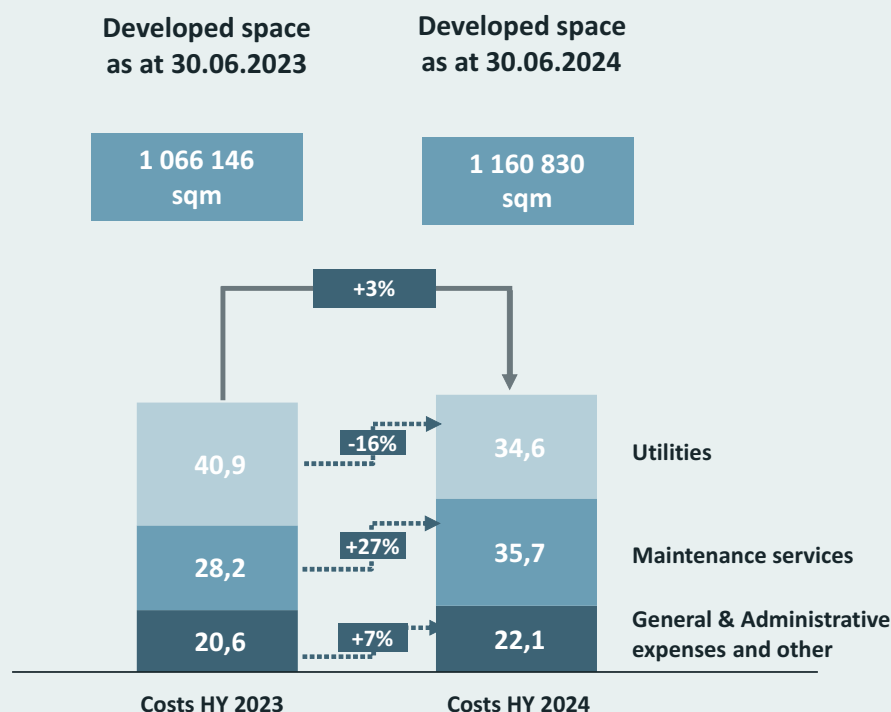


for the six months ended 30 June

	2024	2023	change (%)
Depreciation and amortisation	(383)	(322)	18,9%
Property maintenance services	(35 711)	(28 206)	26,6%
Utilities	(34 586)	(40 942)	-15,5%
Administrative expenses and business development costs	(21 675)	(20 300)	6,8%
Other recharged costs	(22)	(140)	-84,3%
Distribution costs and administrative expenses	(92 377)	(89 910)	

In 2024, the distribution costs and administrative expenses amounted to PLN 92,377 thousand, representing a year-on-year increase of 3%. These costs include (i) costs of consumables and energy used, (ii) services, (iii) taxes and charges. The costs of consumables and energy used include the cost of utilities that are recharged to tenants. The main components of taxes and charges are property tax and usufruct charges, which are also recharged to tenants. Services include two cost groups: (i) property maintenance services, recharged to tenants, (ii) and services recognised as part of administrative expenses.

Change in key items of distribution costs and administrative expenses in H1 2024 and H1 2023 (PLN million)



* Space completed does not include the space of buildings designated for demolition to make way for new warehouse developments.

The 16% (PLN 6,355 thousand) decrease in utility costs was attributable to a decrease in electricity purchase prices.

The 27% (PLN 7,510 thousand) growth in property maintenance costs was primarily due to a PLN 3,474 thousand rise in property tax expenses, of which 54% was attributable to the larger volume of space completed in 2023 (with tax payable from 2024), and the remaining 45% was due to higher property tax rates. Other factors behind the increase in property maintenance costs included: PLN 794 thousand increase in insurance costs, PLN 954 thousand increase in technical maintenance costs, and PLN 1,019 thousand increase in security and cleaning costs, reflecting the larger volume of space completed and the rise of the minimum statutory wages in 2024.

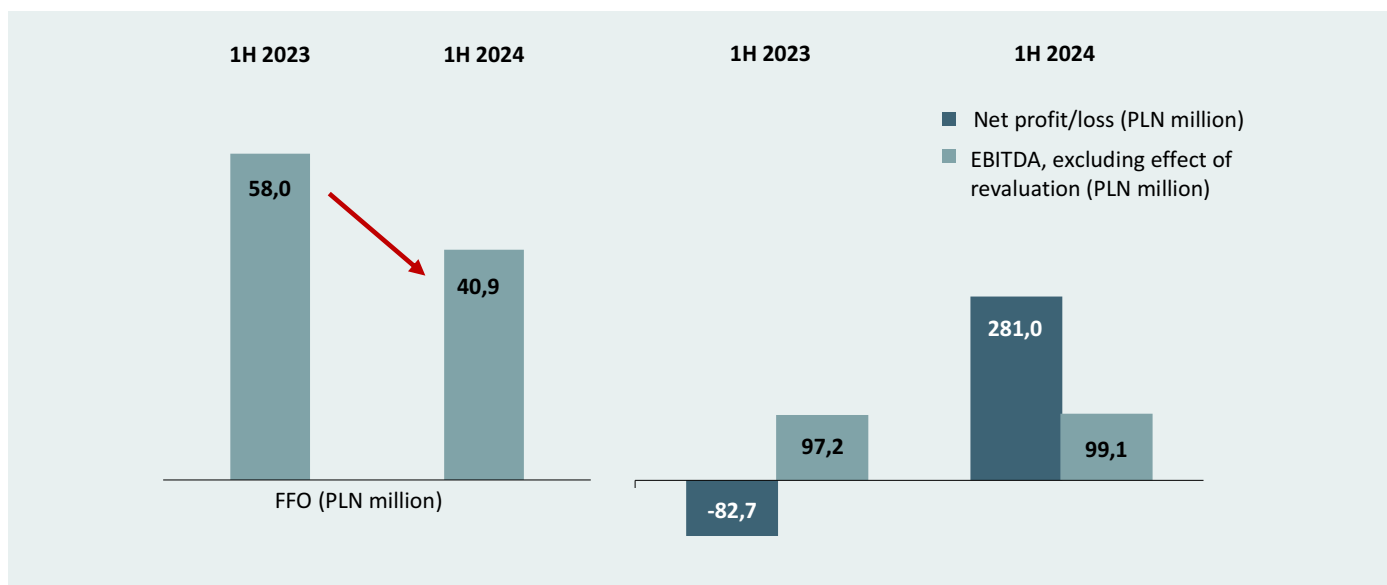
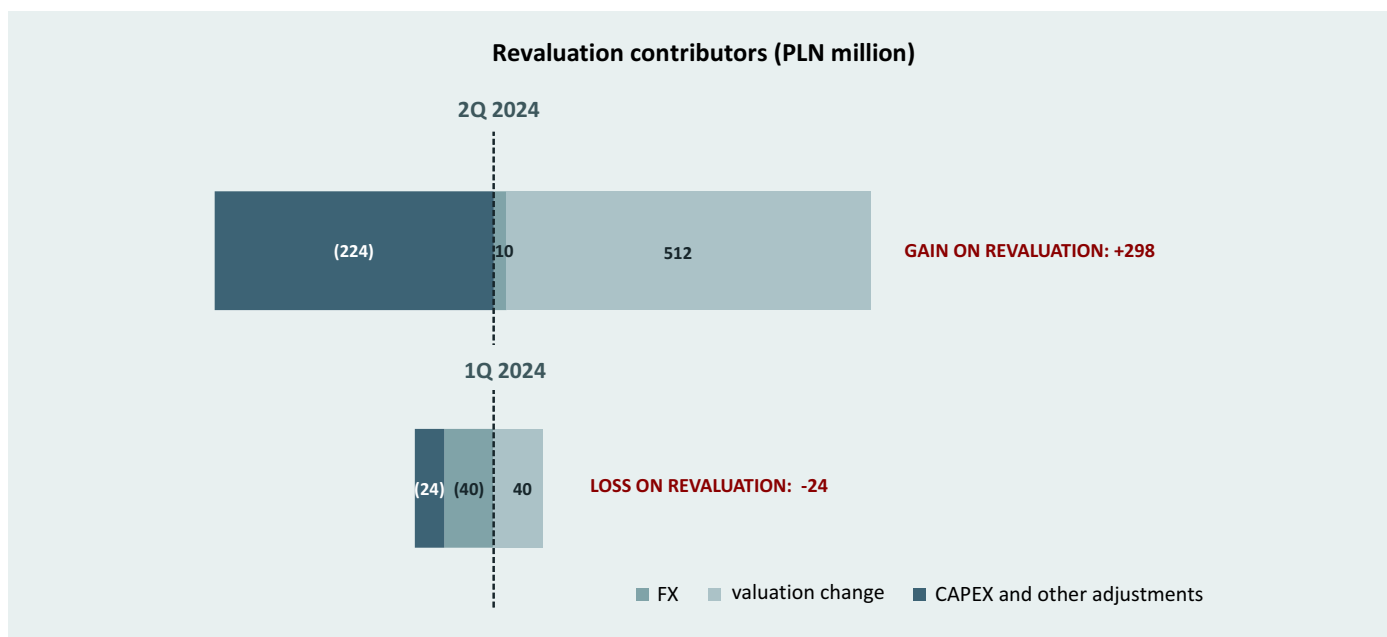
The Group incurs administrative expenses and business development costs associated with its development activities. This item amounted to PLN 22,052 thousand in the six months ended 30 June 2024, relatively flat on 2023. In 2024, the administrative and business development costs included costs of advisory services, banking services, consultancy services, audit costs, valuations, marketing, IT, and salaries.

In 2024, the Group reported net finance costs of PLN 34,490 thousand, being chiefly the effect of foreign exchange gains (PLN 12,407 thousand), interest on borrowings (PLN 44,268 thousand), and interest on notes (PLN 17,625 thousand).

In the six months ended 30 June 2024, the gain on revaluation of investment property of PLN 275,013 thousand was mainly attributable to:

- PLN 45,106 thousand gain on the revaluation of a project in Austria (transition to the construction phase),
- PLN 187,270 thousand gain on the revaluation of the German portfolio,
- PLN 43,007 thousand gain on the revaluation of the Polish portfolio.

The chart below presents changes in gain/loss on revaluation of investment property by quarter in 2024.



The decrease in FFO in the 1H 2024 was mainly driven by higher financial debt service costs totaling PLN 19 595 thousand. This was due to increase of:

- interest - bearing debt by PLN 95 mn ((bank loan of PLN 35 million and bonds of PLN 60 million),
- an increase in the EURIBOR rate (EURIBOR 6M by 14%, EURIBOR 3M by 30%),
- a new IRS transaction at higher rates in line with the current market conditions (higher interest rate).

3. 1.3 Selected data from the condensed consolidated statement of cash flows

	<i>for the six months ended 30 June</i>	2024	2023
Net cash from operating activities		59 959	43 564
Net cash from investing activities		(188 878)	(177 013)
Net cash from financing activities		31 998	297 893
Total net cash flows		(96 921)	164 444
Cash at beginning of period		344 247	315 200
Effect of exchange differences on cash and cash equivalents		3 285	3 285
Cash and cash equivalents at end of period		250 611	482 929

In the six months ended 30 June 2024, the Group reported positive operating cash flows of PLN 59,965 thousand, an increase on the corresponding period of 2023, attributable to higher EBITDA excluding effect of revaluation.

Cash flows from investing activities in the period were negative, at PLN 188,878 thousand. In the corresponding period of 2023, negative cash flows from investing activities amounted to PLN 177,013 thousand. The largest expenditures incurred by the Group were outlays on the development of logistics parks in Poland as well as purchases of land at new locations, totalling more than PLN 184,069 thousand.

The largest expenditure item in both periods consists of capital expenditures on projects executed by the Group.

In the six months ended 30 June 2024, the Group's cash flows from financing activities were positive, at PLN 31,998 thousand. The excess of financing cash inflows over outflows was attributable to:

- the excess (PLN 74 032 thousand) of cash flows from the new issue of Series G notes (proceeds of PLN 177,235 thousand) over cash spent on the redemption of Series D notes at maturity and partial early redemption of Series E notes;
- the refinancing of two projects, new credit facilities contracted and repayments of existing credit debt, resulting in a net positive cash flow of PLN 75,214 thousand;
- payments of current interest on credit facilities and notes in the amount of PLN 52,528 thousand,
- positive cash flows of PLN 14,513 thousand from fixed-rate hedging derivatives.

3. 2 Management Board's position on published forecasts

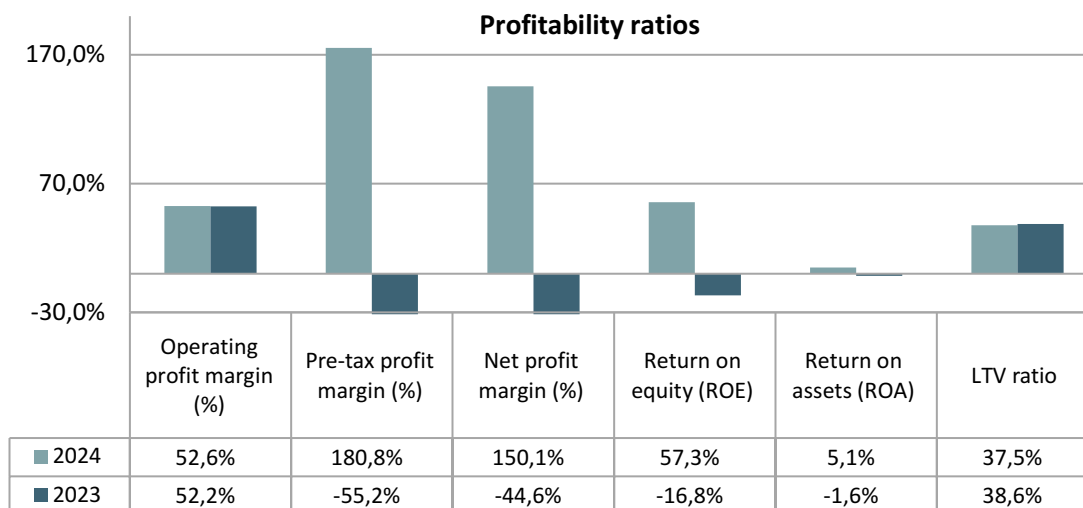
The Management Board of MLP Group S.A. does not see any indications that the previously published forecasts of financial liabilities as at the end of 2024 may fail to be met considering the data disclosed in this quarterly report relative to the forecast presented in Current Report 5/2024.

3.3 Management of the Group's financial resources

In the six months ended 30 June 2024, in connection with its investment projects involving the construction of warehouse and office space, the Group's efforts in the area of managing its financial resources were mainly focused on securing and appropriately structuring the financing sources, and on maintaining safe liquidity ratios. The Management Board analyses and plans the Group's financing structure on an ongoing basis to deliver the budgeted ratios and financial results while ensuring that the Group's liquidity and wider financial security are maintained.

The Management Board believes that as at 30 June 2024 the Group's assets and financial position were stable, thanks to the Group's well-established position on the warehouse space market, combined with the relevant experience and operational capabilities in managing property development projects and leasing commercial space. Further in this report the Group's financial standing and assets are discussed in the context of the liquidity and debt ratios.

3.3.1 Profitability ratios



The profitability analysis is based on the following ratios:

- **operating profit margin excluding effect of revaluation:** operating profit/(loss) excluding effect of revaluation/revenue;
- **pre-tax profit margin:** profit/(loss) before tax / revenue;
- **net profit margin:** net profit (loss)/revenue;
- **return on equity (ROE):** net profit/(loss)/adjusted equity (weighted average of the sum of share capital and share premium)
- **return on assets (ROA):** net profit (loss) / total assets.
- **LTV** represents Net Total Debt (excluding unamortized debt issuance costs and unamortized issue discount) divided by Gross Asset Value (excluding Perpetual usufruct) & Fixed Asset

In the six months ended 30 June 2024, operating profit margin excluding effect of revaluation was 52.6%, up 0.4 pp relative to the corresponding period of 2023 (52.2% for 2023). The improvement in operating profit margin excluding effect of revaluation in the reporting period was driven by an increase in rental income (up 1.1% year on year) and lower growth of distribution costs and administrative expenses (up 2.7% year on year).

Pre-tax profit margin was 180.8% (2023: (-55.2)%).

Net profit margin was 150.1% (2023: (-44.6)%)

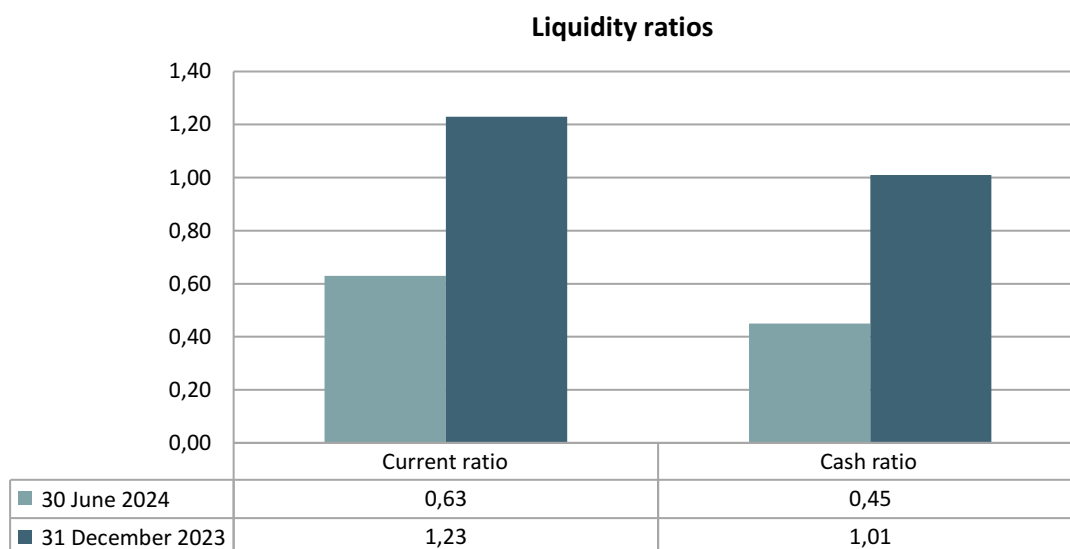
Return on equity (ROE) was 57.3% (2023: (-16.8)%).

Return on assets (ROA) was 5.1% (2023: (-1.6)%).

The indicators listed above were negative. Their values fell relative to the corresponding period of the previous year as a result of foreign exchange losses on property revaluation (appreciation of the PLN).

In the six months ended 30 June 2024, the LTV ratio was 37.5%, up from the corresponding period of the previous year (2023: 38.6%). Its level is considered safe.

3. 3.2 Liquidity ratios

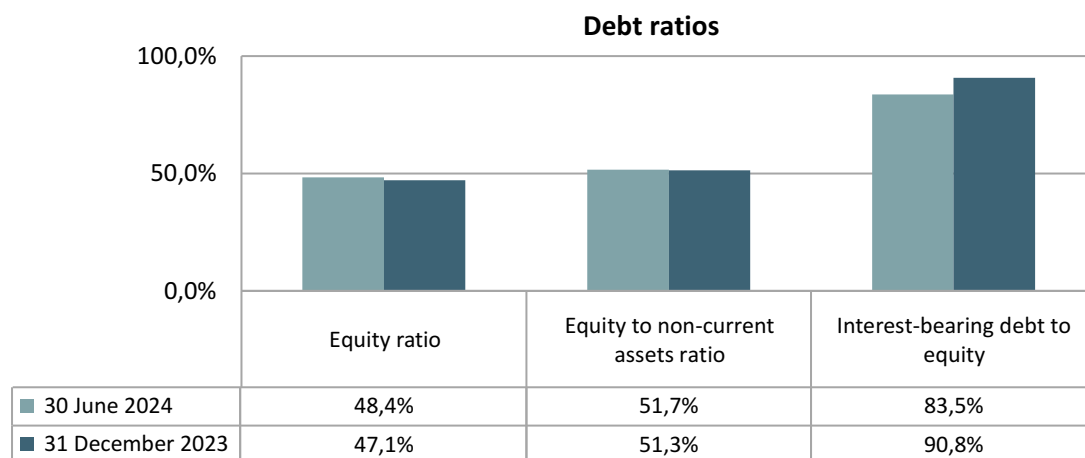


The liquidity analysis is based on the following ratios:

- **current ratio:** current assets / current liabilities;
- **cash ratio:** cash and cash equivalents / current liabilities.

The current and cash ratios as at 30 June 2024 were 0.63 and 0.45, respectively, and remained at stable and safe levels.

3. 3.3 Debt ratios



The debt analysis is based on the following ratios:

- **equity ratio:** total equity / total assets;
- **equity to non-current assets ratio:** total equity / non-current assets;
- **financial liabilities to equity ratio:** financial liabilities¹⁾ / total equity.

¹⁾ Financial liabilities include non-current and current liabilities under borrowings and other debt instruments, as well as finance lease liabilities and liabilities on measurement of swap contracts.

As at 30 June 2024, the equity ratio was 48.4%, up 1.3pp on 31 December 2023. In accordance with the terms and conditions of Series C, Series G, and Series F notes, it may not be less than 35%.

As at 30 June 2024, the equity to non-current assets ratio was 51.7%, increased 0.4pp on 31 December 2023. The interest-bearing debt-to-equity ratio was 83.5%, down 7.3pp. The decrease followed from the repayment of borrowings.

3. 4 Borrowings, notes, sureties and guarantees

3. 4.1 New and terminated non-bank borrowings

In the six months ended 30 June 2024, the Group did not take out any new non-bank borrowings.

3. 4.2 New and terminated bank borrowings

- **New credit facility agreements signed in the six months ended 30 June 2024**

On 26 April 2024, MLP Poznań Sp. z o.o. and MLP Poznań II Sp. z o.o. entered into a credit facility agreement with ING Bank Śląski S.A. for a total amount of EUR 26,877 thousand.

On 28 June 2024, MLP Business Park Wien GmbH executed a credit facility agreement with Erste Bank der oesterreichischen Sparkassen for a total amount of EUR 74,000 thousand.

- **Repayment of bank borrowings in the six months ended 30 June 2024**

In the six months ended 30 June 2024, the Group made all due and scheduled payments under its credit facility agreements.

No credit facilities were terminated in the reporting period.

3. 4.3 Notes

On 21 January 2024, the Company redeemed at maturity Series E notes with a total nominal value of EUR 4,000,000.

On 21 February 2024, the Management Board of MLP Group S.A. passed a resolution on the issue, by way of a public offering to qualified investors, of up to 41,000 Series F bearer notes of the Company with a nominal value of EUR 1,000 per note and total nominal value of up to EUR 41,000,000 (the "Notes").

The Notes were issued on 6 March 2024 at an issue price of EUR 1,000 per Note.

The Notes will pay variable interest at 3M EURIBOR plus margin.

The Notes will be unsecured instruments.

The objectives of the issue were not specified.

The maturity date of the Notes is 4 December 2026.

On 27 February 2024, the Management Board of the Company adopted Resolution No. 4/02/2024, authorising the redemption of 8,600 Series D notes, with a nominal value of EUR 1,000 per note and the total nominal value of EUR 8,600,000, bearing the ISIN code PLMLPGR00090 in the Central Securities Depository of Poland (CSDP).

The notes were redeemed on 27 February 2024 at face value of Series D notes plus interest accrued in accordance with the terms of the Series D notes.

On 17 May 2024, the remainder of Series D notes, with a total nominal value of EUR 11,400,000, were redeemed at maturity.

The notes of MLP Group S.A. outstanding as at 30 June 2024 are presented below.

Instrument	Currency	Nominal value	Maturity date	Interest rate	Guarantees and collateral	Listing venue
Public notes – Series C	EUR	45,000,000	19.02.2025	6M EURIBOR + margin	none	Catalyst
Public notes – Series G	EUR	41,000,000	04.12.2026	6M EURIBOR + margin	none	Catalyst
Public notes – Series F	EUR	29,000,000	26.05.2025	6M EURIBOR + margin	none	Catalyst

3. 4.4 Loans

In the six months ended 30 June 2024, the Group did not advance any new loans.

3. 4.5 Sureties provided and received in the six months ended 30 June 2024

On 27 June 2024, MLP Group SA provided a surety of of EUR 1,409 thousand for MLP Business Park Gelsenkirchen Sp. z o.o. & Co. KG under a mandate agreement between PKO BP S.A. and MLP Gelsenkirchen Sp. zo.o. & Co. KG concerning the issuance of a bank guarantee. The surety agreement will remain in effect until the date falling 4 (four) years after the date when the guarantee is returned to PKO BP and no new obligations may arise on its basis, and may not be revoked by the surety provider during that period.

3. 4.6 Guarantees provided and received

In the six months ended 30 June 2024, PKO BP S.A. provided a bank guarantee of EUR 1,409 thousand for MLP Business Park Gelsenkirchen Sp. zo.o. & Co. KG.

3. 5 Feasibility of investment plans

The Group has adequate capital resources to meet its strategic objectives and finance its day-to-day operations.

The Group finances its investments (both acquisitions of new properties as well as extension of the existing logistics parks) with the Group's own resources and long-term borrowings, including credit facilities, non-bank borrowings and issues of commercial paper.

The Group assumes that the share of debt financing in the financing of the planned projects will be approximately 70%.

3. 6 Non-recurring factors and events with a bearing on the consolidated financial result for the six months ended 30 June 2024

In the six months ended 30 June 2024, there were no non-recurring factors or events that would have a material effect on the consolidated profit or loss for the financial period.

3. 7 Issue, redemption, cancellation and repayment of non-equity and equity securities

On 23 September 2022, the Management Board of MLP Group S.A. adopted Resolution No. 1/09/2022 to establish a new note issuance programme (the "Programme"). On the same day, the Company entered into an issuance agreement with mBank S.A. to establish the new note issuance programme, where mBank S.A. will act as the arranger, calculation agent, technical agent, issuance agent, and dealer. For more information, see Note 3.4.3.

3. 8 Material achievements and failures in the six months ended 30 June 2024

There were no material achievements or failures other than those described in this Management Board's report on the activities of the MLP Group S.A. Group.

3. 9 Seasonality and cyclicity

The Group's business is not seasonal or cyclical, with the exception of gas sales to tenant which relate to the heating season.

4. Statement of the Management Board

We represent that, to the best of our knowledge, the condensed consolidated interim financial statements and condensed separate interim financial statements as well as the comparative data have been prepared in accordance with the applicable accounting policies and give a true, fair and clear view of the assets, financial position and results of the Company and the Group.

We further represent that the interim Management Board's report on the activities of the MLP Group S.A. Group. presents a true view of the development, achievements and condition of the Company and the Group, including a description of key threats and risks.

We represent that the statutory auditor reviewed the interim condensed consolidated financial statements and the interim condensed separate financial statements for the period from 1 January to 30 June 2024, namely PWC Polska Sp. z o.o. Audyt Sp.k., was appointed in accordance with the applicable laws.

We further represent that both the auditing firm and the qualified auditor who performed the review met the conditions required to issue an impartial and independent report from the review of the interim condensed consolidated financial statements and interim condensed separate financial statements, in accordance with the applicable provisions of law and professional standards.

Signed by the Management Board with qualified digital signatures.

Pruszków, 22 August 2024

