



Management Board report

RESBUD SE

for the first half of 2021

Covers the period from 1 January to 30 June 2021

**The report was prepared in accordance with
International Financial Reporting Standards**

Tallinn – Cracow, 30 September 2021

Dear Sirs and Madams, Shareholders, Customers and Business Partners,

On behalf of the Management Board of RESBUD SE, I hereby present to you the first consolidated Report of the RESBUD SE Company including the period from 01/01/2021 to 30/06/2021, which is a summary of all significant economic events which took a place in the Company's operations during this period, which in the opinion of the Management Board of RESBUD SE are having influence on the full and objective assessment of the activities carried out by the Company.

The General Meeting of Shareholders at the date 24 April 2021 adopted the resignation of the Supervisory Board Member - Mr. Andrei Prakopchyk and appointed a new Supervisory Board Member, Mr. Adam Zaremba. The changes in the composition of the Management Board and the Supervisory Board are the beginning of fundamental changes in the activities of RESBUD SE.

The Supervisory Board including following Members :

Alexey Petrov - Chairman of the Supervisory Board
Anna Jöemets - Member of the Supervisory Board
Adam Zaremba - Member of the Supervisory Board

The change in the constitution of the Management Board was made on the date 24 April 2021, throughout the appointment by the Supervisory Board of the Company for the function of President Mr. Krzysztof Długosz and for the position of the Member of the Management Board by Mrs. Joanna Dyja. The Supervisory Board approved Mr. Jarosław Podolski's resignation from the role of the Management Board Member.

In the current period of time RESBUD SE has become a holding company that concentrating the shares and stocks of other business entities from several EU countries as well as from outside the EU, mainly from the construction industry and from the energy and trade sectors.

Resbud SE apart from running a holding activity will also carry out financial activity, primarily in the subject of providing financing to entities belonging to the holding.

The holding includes the following companies :

Resbud SE - Estonia
Conpol Sp. z o.o. - Poland
Delkraft EHITUS OU - Estonia
Uniwersim Sp. z o.o. - Poland
Energokomplekt OOO- Russian Federation

The above is due to the registration of the share capital increase adopted by the Issuer's General Meeting on the 7 September 2020. Share capital was magnified throughout the issue of new shares, which were acquired in exchange for shares in the following companies mentioned above.

A total of 218,520,263 new issue shares were allotted as a result of new share subscriptions. The new shares were covered by in-kind contributions in the form of shares in the companies identified above. The Issuer recalls that the issue price per new issue share is EUR 0.1467. As a result, RESBUD SE currently holds shares in the following companies:

1. **100% of shares in Energokomplekt OOO with its registered office in Yekaterinburg, Russian Federation**, whereby it directly holds 87.80% of the shares in the share capital, entitling it to cast 87.80% of the votes at the General Meeting, and the remaining 12.2% of the shares in the share capital through CONPOL Sp. z o.o.

2. **100% of shares in the share capital of CONPOL Sp. z o.o. with its registered office in Modlniczka, Poland**, which constitutes 100% of shares in the share capital and entitles to 100% of votes at the General Meeting, 8000.
3. **100% of shares in UNIWERSIM Sp. z oo o. with its registered office in Modlniczka, Poland**, entitling to 100% of votes at the General Meeting.
4. Indirectly through Conpol Sp. z o. o. The Company also controls **100% of the shares in Delcraft Ehitus OÜ with its registered office in Tallinn, Estonia**, entitling it to cast 100% of the votes at the General Meeting.

Conpol Sp. z o.o., Uniwersim Sp. z o.o., Energokomplekt OOO, together with RESBUD SE form a holding and are controlled by the Issuer. Information regarding the share capital increase and the acquisition of shares was provided in reports no. 3/2021 dated 4 February 2021 and no. 4/2021 dated 9 March 2021. Detailed information on the share issue was the subject of current reports published by the Company in the Polish ESPI system and the Estonian OAM system. In addition, this information can be found on the Issuer's website.

Currently, the financial statements of RESBUD SE have been released by the current Management Board of the Company, based on the financial data prepared by the current Management Board of the Company and the previous Management Board of the Company for the period from 1.01.2021 to 30.06.2021.

I would like to emphasise that RESBUD SE has started a new chapter in the history of its operations – the Company consciously and consistently refers to the glorious tradition of the largest construction and assembly enterprise in the South-East of Poland, and at the same time builds a modern holding of Central and Eastern European companies from various industries – which will translate into high income for the Company, and thus a higher return on investment in RESBUD SE shares. I can confidently say that 2021 was a special year. I mean looking at the picture of the Company's operations through the eyes of the people who manage and create the RESBUD SE team and our investors. The first half of the year was marked by great changes and transformations in its operation.

The Management Board of RESBUD SE has been changed, and is currently composed of two members. Our cooperation is successful and smooth; it is good to have among professional partners people with whom work becomes not only a pleasure but also satisfaction. I certainly could not forget an important issue that contributed to the results achieved and the economic and financial ratios of RESBUD SE. After reviewing the data contained in the consolidated report for the first half of 2021, it can be concluded with conviction that the Company is moving in the intended direction towards the achievement of its high objectives.

Our case perfectly demonstrates that it is worth undertaking significant changes not only in the area of market operations and the shape of the performed activity, but also in the area of personnel changes referring to the key bodies of the holding Company.

With kind regards,

Krzysztof Długosz

President of the Management Board

**STATEMENT OF THE MANAGEMENT BOARD OF RESBUD SE ON THE FINANCIAL STATEMENTS FOR
THE FIRST HALF OF 2021**

The Management Board of RESBUD SE declares that to the best of its knowledge the semi-annual financial statements and comparative data have been prepared in accordance with the applicable accounting principles and that they give a true, fair and clear view of the property and financial position of RESBUD SE and its financial result and that the Management Board's report gives a true picture of the position of RESBUD SE.

As there was a change in the Management Board during the reporting period, the financial statements were prepared and released by the Management Board in the composition resulting from the appointment of the new Management Board as of 23 April 2021 based on the financial data prepared by both the current and previous Management Board, which data were adopted and verified by the current Management Board.

The financial statements are presented in such a way as to fulfil the obligations arising from the regulations governing the publication of financial statements and auditing of those statements applicable in Poland and Estonia.

The Management Board of RESBUD SE would like to point out that information on all significant events that occurred in the period from 1 January 2021 to 30 June 2021 and that played, for various reasons, a significant role for the Company – was published via Current Reports submitted to the Polish Financial Supervision Authority, the Warsaw Stock Exchange and an information agency indicated by the Polish Financial Supervision Authority – i.e. the Polish Press Agency S.A. Financial Inspection in Estonia, e-Registri in Estonia

In view of the above, the Management Board of RESBUD SE presents below, with due care and accuracy, the Management Board Report on activities for the first half of 2021

Krzysztof Długosz – President of the Management Board of RESBUD SE

Joanna Dyja – Member of the Management Board

1. Key economic and financial figures disclosed in the half-yearly consolidated financial statements.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

ASSETS (in thousands of EUR)	as at 2021-06-30 unaudited	as at 2020-12-31 audited	as at 2020-06-30 unaudited
FIXED ASSETS	43564	1860	2570
Tangible fixed assets	1009	0	0
Investment property	1166	0	0
Long-term investments	2 570	1860	2570
Long-term loans	4481	0	0
CURRENT ASSETS	48315	94	178
Inventory	1344	0	0
Trade and others receivables	37340	26	43
Short-term loans	1304	0	0
Tax receivables	136	0	0
Other receivables	1722	0	0
Short-term financial assets	3870	28	51
Cash and cash equivalents	2452	4	5
Short-term accruals	147	36	79
TOTAL ASSETS	91879	1954	2748

LIABILITIES (in thousands of EUR)	as at 2021-06-30 unaudited	as at 2020-12-31 audited	as at 2020-06-30 unaudited
TOTAL EQUITY	45468	1340	2304
Share capital	26048	1991	1991
Differences from conversion to EUR	565	-232	-131
Supplementary (fund) capital	13167	2092	2106
Reserve capital	184	69	69
Revaluation reserve	202	-333	279
Capital from mergers	-4	-4	-4
Retained earnings from previous years	4691	-2243	-1910
Net profit (loss)	615	0	-96
NON-CURRENT LIABILITIES	302	0	302
Deferred tax liability	1256	0	0
Long-term liabilities due to credits and loans	8117	0	200
Other non-current liabilities	890	0	102
SHORT-TERMS LIABILITIES	142	55	142
Short-term accruals provisions	114	0	25

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Short-term liabilities due to credits and loans	8155	365	67
Liabilities from deliveries and services and other liabilities	27731	93	30
Employee benefit obligations	35	24	3
Tax liabilities	56	0	0
Other current liabilities	57	132	20
TOTAL LIABILITIES	91879	1954	2748
Book value	91879	1954	2304
Number of shares	236 620 263	18 100 000	18 100 000
Book value per one share (IN EUR)	3,88	0,11	0,13
Diluted number of shares	236 620 263	18 100 000	18 100 000
Diluted book value per one share	3,88	0,11	0,13

CONDENSED INTERIM PROFIT AND LOSS STATEMENT AND STATEMENT OF COMPREHENSIVE

In thousands of EUR	as at 2021-06-30 unaudited	as at 2020-12-31 audited	as at 2020-06-30 unaudited
Net revenues from the sale of products, goods and materials, including:	28625	0	0
Total costs:	26192	0	0
Gross profit (loss) from sale:	2433	0	0
Cost of sales	0	0	0
General administrative expenses	0	316	89
Gross profit (loss)	2433	-316	-89
Other operating income	300	0	0
Other operating expense	1004	8	1
Operating profit / (loss)	1729	-324	-90
Finance income	40	5	3
Finance costs	828	28	9
Gross profit (loss)	941	-347	-96
Income tax expense	326	0	0
Profit / loss from continuing operations	615	-347	-96
Profit / loss from discontinued operation	0	0	0
Net profit / loss from rotating period	615	-347	-96
Weighted average number of ordinary shares	236 620 263	18 100 000	18 100 000
Profit (loss) per one ordinary share (in EUR)	0,01	0,00	0,00
Weighted average diluted number of ordinary shares	236 620 263	18 100 000	18 100 000
Diluted profit (loss) per one ordinary share (in EUR)	0,01	0,00	0,00

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

In thousands of EUR	2021-01-01- 2021-06-30 unaudited	2020-01-01- 2020-12-31 audited	2020-01-01- 2020-06-30 unaudited
Net profit (loss) for the period	615	35	54
Other comprehensive income for the period	565	-164	0
Items that shall not be carried forward to the profit or loss statement at later periods:	0	0	0
Items that shall be carried forward to the profit or loss statement at later periods:	565	-164	0
- valuation of financial assets	0	-143	0
- differences from conversion to EUR	565	-21	0
Total income:	1180	-129	54

Selected profitability ratios of RESBUD SE:

<i>Indicators [%]</i>	<i>First half of the year 2021</i>	<i>First half of the year 2020</i>
Gross Profitability from sales	0,032	not calculated *
Profitability from sales	0,021	not calculated *
Profitability from operating activities	0,085	not calculated *
Net profitability	0,021	not calculated *
Return on Assets– ROA	0,007	-0,035 *
Return on Equity – ROE	0,013	-0,042 *

Selected liquidity and debt ratios of RESBUD SE:

<i>Indicator</i>	<i>First half of the year 2021</i>	<i>First half of the year 2020</i>
Current liquidity	1,34	1,25
Quick liquidity	1,30	0,70

<i>Indicator</i>	<i>First half of the year 2021</i>	<i>First half of the year 2020</i>
Total debt ratio	0,50	0,16

The ratios presented above are at correct levels, which indicates that the adopted strategy for the development of the holding is correct.

2. Information on the main products and services with their description in terms of value and quantity and the share of individual products, goods and services (if significant) or groups thereof in the Issuer's total sales, as well as changes in this area in the financial year.

In the first half of 2021, RESBUD SE continued activities related to the construction and development of the holding

3. Information on sales markets, including a breakdown into domestic and foreign markets.

RESBUD SE operated on the Polish, Estonian and Russian markets

4. Information on concluded contracts significant for the Issuer's activity, including contracts between shareholders (partners), insurance contracts, cooperation or collaboration agreements known to the Issuer.

The Issuer, on an ongoing basis, provides information on the agreements concluded by the holding companies, which are significant for the business of the Issuer through the publication of current reports.

5. Evaluation of the possibility of realisation of investment intentions, including capital investments, compared to the amount of funds held, taking into account possible changes in the structure of financing of these activities.

In the next six months, the Company plans to conclude further significant contracts allowing for an increase in its revenues and profits.

6. Assessment of factors and unusual events affecting the result of operations for the financial period, with an indication of the extent to which these factors or unusual events have affected the result achieved.

In the Company's opinion, none of the described events that related to the activity of RESBUD SE was unusual in nature, exceeding the business framework of the conducted activity.

7. Characteristics of external and internal factors significant for the development of the Issuer's enterprise and description of development perspectives for the Issuer's activity at least until the end of the financial year following the financial year for which the financial statements included in the annual report were prepared, including elements of its market strategy.

Changes in the Company's shareholder structure had a very positive impact on the results achieved and the economic and financial ratios of RESBUD SE. The preparation of the consolidated report for the 6 months of 2021 has provided a different and broader perspective on the Company's opportunities and assessment of its current situation. It provides the basis for achieving the intended objectives .

8. Changes in the fundamental principles of management of the Issuer's business.

In 2021, there were changes in the basic principles of management at RESBUD SE. At present, the Company's Management Board consists of two members. This situation allows for more advantageous and accurate management of the holding created.

9. Any agreement between the Issuer and its managers providing for compensation in the event of their resignation or dismissal without valid cause or if their removal or dismissal results from the Issuer's merger by acquisition.

No such agreements were concluded in 2021.

10. Indication of proceedings pending before a court, a competent authority for arbitration proceedings or a public administration body.

As at the date of this report, no proceedings were pending before a court with jurisdiction for arbitration proceedings or a public administration body.

11. Significant events that occurred after the balance sheet date.

Energokomplekt OOO o concluded on 27 July 2021 another contract with "Kompleksnyye projekty w ekologii i energetike" OOO. The total value of the contract is RUB 600,000,000, which is approximately EUR 6,894,000.

Energokomplekt OOO o concluded a contract with "Uralskaja energeticeskaja stroitel'naja kompanija" S. A. on 9 August 2021. The total value of the contract is RUB 5,500,000,000, which is approximately EUR 63,690,000.

Energokomplekt OOO o concluded a contract with "Elektrouralmontaž" S. A. on 26 August 2021. The total value of the contract is RUB 1,424,894,000, which is approximately EUR 16,443,277.

Signed by:

Krzysztof Długosz – President of the Management Board

Joanna Dyja – Member of the Management Board