Condensed Consolidated Interim Financial Statements for the six months ended June 30, 2022

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Company name: Resbud SE

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Financial year: January 1, 2022 to December 31, 2022

Reporting period: January 1, 2022 – June 30, 2022

Supervisory Board: Anna Jõemets, Alexey Petrov, Adam Zaremba

Management Board: Krzysztof Włodzimierz Długosz, Joanna Maria Dyja

Content

Condensed consolidated statement of financial position

'EUR 000	Note	June 30, 2022	December 31, 2021
Property, plant and equipment		4099	5405
Goodwill		31279	31279
Long-term loans		27	35
Long-term receivables		99	113
Deferred tax assets Income tax		20	68
Non-current assets		**35524**	**36900**
Inventories		3439	2305
Current tax assets			
Trade receivables and other receivables		21631	29992
Other receivables		309	331
Short-term loans		539	409
Short-term financial assets		2855	3983
Short-term settlements intertemporal		9	15
Cash and cash equivalents		654	3548
Current assets		**29436**	**40583**
Total assets		**64960**	**77483**
Share capital	19	26028	26028
Additional paid-in capital	19	10112	10112
Reserve capital		69	69
Revaluation reserve		(498)	(498)
Differences in translation into EUR	19	(1977)	680
Capital from business combinations Businesse	19	(4)	(4)
Retained earnings		(860)	(2710)
Total equity		**32870**	**33677**
Loans and credits	20	66	18
Long-term financial liabilities		90	133
Deferred tax liability income tax	24	645	839
Long-term liabilities		**801**	**990**
Credits and loans	20	5395	6498
Trade and other liabilities	21	23766	32768
Tax liabilities		50	362
Other current liabilities	24	2078	3180
Short-term provisions		0	8
Current liabilities		**31289**	**42816**
Total liabilities		**32090**	**43806**
Equity and total liabilities		**64960**	**77483**

Condensed consolidated statement of profit or loss and other comprehensive income

		For 6 months ended June 30	
'EUR 000	**Note**	**2021**	**2020**
Revenue	7	21009	61059
Cost of sales	8	17136	54250
Gross profit		**3873**	**6809**
Other income	10	257	216
Other expenses	10	4012	6653
Results from operating activities		**118**	**374**
Finance income	11	1687	791
Finance costs	11	398	1259
Profit/(loss) before income tax		**1407**	**(94)**
Income tax expense	12	141	373
Profit/(loss) for the period		**1266**	**(467)**
Other comprehensive income			
Items that will never be reclassified as profit or loss:		0	0
Equity investments in FVOCI – net change in fair value		0	0
Equity method accounted investees – share of OCI		0	0
Total		0	0
Items that are or may be reclassified following profit or loss		(2657)	747
Exchange differences in foreign currencies for foreign operations		(2657)	747
Income tax on items that are or may be reclassified subsequently to profit or loss		0	0
Other comprehensive income for the period, net of income tax		(2657)	747
Total comprehensive income for the period		**(1391)**	**280**
Loss attributable to:			
Owners of the Company		1266	(467)
Non-controlling interests		0	0
Total comprehensive income attributable to:			
Owners of the Company		(1391)	280
Non-controlling interests		0	0

Earnings per share			
Basic earnings per share (EUR)	11	0,0053	(0,0018)
Diluted earnings per share (EUR)		0,0053	(0,0018)
Adjusted earnings before interest taxation, depreciation (adjusted EBITDA)	13	0,0025	0,0036

Condensed consolidated statement of changes in equity

	Share capital	Reserve capital	Additional paid-in capital	Revaluation reserve	Conversion reserve	Capital from business combinations	Retained earnings	Total equity
Balance at 31 December 2020	**1991**	**69**	**2092**	**(498)**	**(67)**	**(4)**	**(2243)**	**1340**
Increase of capital (issuance of shares)	24037		8020	0	0	0	0	32057
Net profit (loss) for the period	0	0	0	0	0	0	(467)	**(467)**
Other comprehensive income	0	0	0	0	747	0	0	747
Balance at 31 December 2021	**26028**	**69**	**10112**	**(498)**	**680**	**(4)**	**(2710)**	**33677**

	Share capital	Reserve capital	Additional paid-in capital	Revaluation reserve	Conversion reserve	Capital from business combinations	Retained earnings	Total equity
Balance at 31 December 2021	**26028**	**69**	**10112**	**(498)**	**680**	**(4)**	**(2710)**	**33677**
Increase of capital (issuance of shares)	0	0	0	0	0	0	0	0
Net profit (loss) for the period	0	0	0	0	0	0	1850	1850
Other comprehensive income	0	0	0	0	(2657)	0	0	(2657)
Balance at 30 June 2022	**26028**	**69**	**10112**	**(498)**	**(1977)**	**(4)**	**(860)**	**32870**

Condensed consolidated statement of cash flows (intermediate method)

'EUR 000	Note	June 30, 2022	December 31, 2021
Net profit (loss)		1266	(467)
Income tax recognised as a result		141	373
Financial expense recognised as a result		398	1165
Profit (loss) on the disposal of property, plant and equipment		20	75
Gain (loss) on impairment of receivables and liabilities		0	(630)
Depreciation		484	569
Net foreign exchange gains/negative differences		(58)	(84)
Change in accounts receivable		8361	(29988)
Change in inventories		(1134)	(2305)
Change in other assets		90	(469)
Change in liabilities		(9002)	32675
Change in provisions		(202)	847
Change in deferred income		0	0
Modification of other liabilities		(1145)	3157
Income tax paid		(105)	(11)
Interest and foreign exchange differences paid		90	84
Total adjustments		(2062)	5458
Net cash from operating activities		**(796)**	**4991**
Proceeds from repayment of loans granted		203	121
Proceeds from repayment of loans granted interest		0	0
Amount of loans granted		(87)	(313)
Payments from acquisition of property, plant and equipment		(115)	(2083)
Proceeds from disposal of property, plant and equipment		20	97
Net cash from/(used) in investing activities		**21**	**(2178)**
Dividends paid		0	0
Dividends received		0	0
Borrowings		1507	4302
Paymentof loan installments		(3612)	(3539)
Repayment of interest on loans		(12)	(18)
Repayment of other debt		(2)	(14)

Net cash from/(used) in financing activities		**1425**	**731**
Net increase/(decrease) in cash and cash equivalents		**650**	**3544**
Cash and cash equivalents as at 1 January 2022		3548	4
Cash and cash equivalents as at 30 June 2022		**654**	**3548**

Notes to the condensed consolidated financial statements

1. Reporting entity - general information

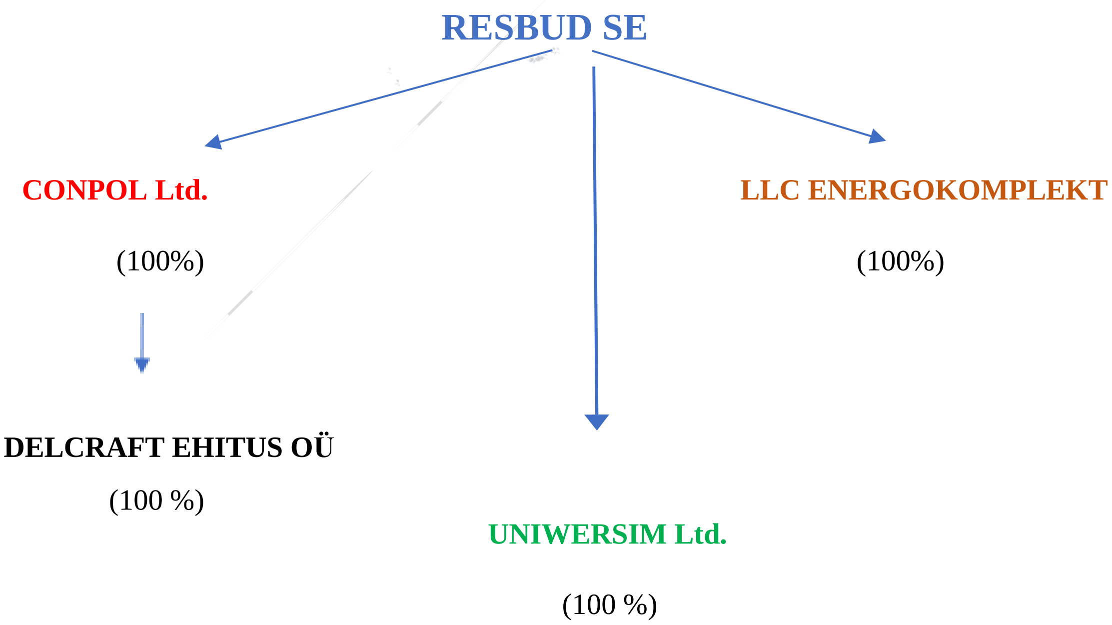
The parent company of the RESBUD SE Group is RESBUD European Company, headquartered in Estonia at Järvevana tee 9-40, 11314, Tallinn. The group includes the following subsidiaries located in Central and Eastern Europe - **Conpol Ltd.** and **Uniwersim Ltd, and LLC Energokomplekt.**

RESBUD SE was established as a result of numerous transformations of a Polish state-owned enterprise founded in 1950, and was registered as a European-type company in February 2018. The Company's shares have been listed on the Warsaw Stock Exchange since September 2007.

The Group's core business is civil engineering, construction works, erection of structures, construction of road and railroad engineering facilities, production of mineral-asphalt mixtures and concrete, as well as supply of materials and equipment for major infrastructure projects, including equipment for construction and modernization of power generation at plants located in Poland, Estonia and Central and Eastern Europe. The company has one foreign branch registered in Poland.

The condensed consolidated interim financial statements for the first six months of 2022 reflect management's assessment of the impact of the Estonian, Polish and Russian business environments on the Group's operations and financial position.

Group Structure



Composition of the Management Board of RESBUD SE:

- ✓ Krzysztof włodzimierz Długosz – Chairman of the Board
- ✓ Joanna Maria Dyja – Member of the Management Board

Shareholding structure of RESBUD SE as at 30 June 2022 (direct shareholders)

Lp.	*Name and surname*	*Number of shares*	*Number of votes*	*% share of overall number of votes*
1.	Alexey Petrov	135 835 462	135 835 462	**43.05%**
2.	DKW Poland OÜ	57 995 627	57 995 627	**18.38%**
3.	Olga Petrova	38 083 739	38 083 739	**12.07%**

Shareholding structure of RESBUD SE as at 30 June 2022 (indirect shareholders)

Lp.	*Name and surname of the direct holder and name of the intermediate holder*	*Number of shares*	*Number of votes*	*% share in general number of votes*
1.	Alexey Petrov , directly and indirectly over AP Energobau Ltd and over EU LEX Management OÜ	142 710 805	142 710 805	**45.23%**
2.	Iwona Długosz indirectly over DKW Poland OÜ	57 995 627	57 995 627	**18.38%**
3.	Olga Petrova , directly and indirectly over EU LEX Management OÜ	39 255 147	39 255 147	**12.44%**

2. Accounting basis

Statement of Compliance

These condensed consolidated interim financial statements for the six months ended 30 June 2022 have been prepared in accordance with IAS 34 *Interim Financial Reporting*. Selected explanatory notes are included in order to explain events and transactions that are relevant to the understanding of changes in the Financial Position and results of the Group. These condensed consolidated interim financial statements do not contain all the information required to prepare the complete annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS").

3. Going concern

Management has a reasonable expectation that the Group has adequate resources to continue operations for at least the next 12 months and that the going concern accounting basis remains adequate. For the six months ended 30 June 2022, the Group recognised a net profit of 1266 thousand Euros.

These condensed consolidated interim financial statements are prepared on a going concern basis and do not contain any adjustments to the carrying amounts and the classification of assets, liabilities and reporting expenses that might otherwise be required if the going concern principle were not appropriate.

(a) The impact of the geopolitical situation on the Group's activities

In the first six months of 2022, all European Union countries felt the effects of the war in Ukraine – an increase in interest rates, inflation, a significant increase in the prices of goods and services, as well as problems in maintaining supply chains. However, these circumstances did not create uncertainty as to the continuation of the activities of which many of the Group companies.

The sanctions imposed on a number of Russian companies, industries, goods and individuals in connection with the aggression against Ukraine did not significantly affect the activities of the Russian segment of the Group. LLC Energokomplekt conducted uninterrupted operations, fulfilling all contracts and continuing cooperation in the current scope.

Polish companies from the Group also conducted normal operations, fulfilling all contractual obligations.

(b) Bonus issue and increase in the share capital of RESBUD SE

The Extraordinary General Meeting of RESBUD SE on May 23, 2022, by Resolution No. 3, decided to increase the Company's share capital through a bonus issue of 78,873,421 new no-par value shares, thus the number of Company shares increased from 236,620,263 to 315,493,684. The Company's share capital was increased from EUR 26,028,229 to EUR 34,704,306.

The Company's share capital was increased by means of a bonus issue at the expense of the capital reserve in the amount of EUR 8,676,077 out of the total amount of this capital of EUR 10,111,694 according to the balance sheet as of September 30, 2021. The record date for the bonus issue was set at May 27, 2022.

As a result of the bonus issue, the shareholder's interest in the Company's share capital increased in proportion to the shareholding as of the date of determination of the right to participate in the bonus issue. Accordingly, as a result of the bonus issue, each shareholder of the Company received 1 (one) new share for every 3 (three) shares previously held. The rights attached to the new shares are the same as those attached to the existing shares held by shareholders. The number of shareholders did not increase with the share capital increase.

Details of the securities included in the bonus issue are included in the Information Document titled: "Document containing information on the number and nature of shares and the rationale and details of the allocation of RESBUD SE shares issued pursuant to Resolution No. 3 of the Extraordinary General Meeting of Shareholders of May 23, 2022," which is available on the Company's website at: https://www.resbud.ee/en/reports/current-report-no-6-2022-publication-of-the-information-document/.

Due to the ongoing process of admitting the shares to trading on the Warsaw Stock Exchange, there was no change in the presentation of data in the financial statements.

(c) Amendment of the Articles of Association

In connection with the share capital increase, by Resolution No. 1 adopted on May 23, 2022 by the Extraordinary General Meeting of RESBUD SE, the provisions of Sections 2.1 and 2.4 of the Articles of Association have been amended so that now the minimum amount of the Company's share capital is EUR 8,750,000 and the maximum amount of the share capital is EUR 35,000,000, and the minimum number of the Company's shares without par value is 72,500,000 shares and the maximum number of the Company's shares without par value is 320,000,000 shares.

The current wording of the Company's Articles of Association has been published on the website at: https://www.resbud.ee/en/reports/current-report-no-7-2022-registration-of-the-amendments-to-the-articles-of-association-and-increase-of-share-capital/.

4. Functional and presentation currency

These consolidated accounts are presented in euro ('EUR'); however, the functional currency for the Russian Federation is rubles ("RUB"), for Polish is the zloty ("PLN"), and for Estonia it is the euro ("EUR"). All amounts have been rounded to the nearest thousand, unless otherwise indicated.

The results and financial position of subsidiaries whose functional currency differs from the presentation currency shall be converted into the presentation currency using the following procedures:

– the assets and liabilities for each statement of financial position presented shall be translated at the closing price prevailing at the date of that statement of financial position;

– the income and expenses for each statement of comprehensive income presented shall be translated at the exchange rates at the date of the transaction; and

– all resulting exchange differences are recognised in other comprehensive income.

The conversion rates between national currencies and the euro to be used for drawing up the interim consolidated consolidated accounts shall be as follows:

Currency	Exchange rate 30 June 2022	Weighted average exchange rate for 6 months 2022	Exchange rate 31 December 2021
PLN	4,6904	4,6354	4,5969
EUR	1	1	1
RUB	117,201	88,3971	85,3004

The exchange rate of the ruble against the euro was adopted according to the data of the European Central Bank for the relevant dates. The PLN to EUR exchange rate is adopted in accordance with the data of the National Bank of Poland.

From March 2022, the European Central Bank stopped publishing the Russian ruble exchange rate.

The exchange rate as of March 01, 2022 was 117.201, and amounts recognized in RUB currency were translated according to this rate.

5. Use of estimates and judgments

Theshort interim financial reports require the Management Board to make assessments, estimates of assumptions that affect the application of the recognised principles and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The material assessments made by management in the application of the accountingpolicies of the Group and the key sources of estimated uncertainty were the same as those described in the last annual financial statements.

Fair value measurement

A number of accounting policies and disclosures of the Group require the measurement of fair values, both in relation to financial and non-financial assets and liabilities.

The Group has an established control framework in relation to the measurement of fair values. This includes a measurement team that has overall responsibility for overseeing all material fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

Management shall regularly review material unobservable inputs and valuation adjustments. Where information from third parties is used to measure fair value, management shall assess the evidence obtained from third parties to support the conclusion that such measurements meet the requirements of IFRSs, including the level in the fair value hierarchy at which such measurements should be classified.

When measuring the fair value of an asset or liability, the Group uses data observable on the market as far as possible. Fair values are divided into different levels in the fair value hierarchy based on the input data used in valuation techniques as follows:

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: input data, other than level 1 prices, that can be observed for an asset or liability, either

directly (i.e. as prices) or indirectly (i.e. derived from prices).

- *Level 3*: Input data for an asset or liability that is not based on observable market data (unobservable input).

If the input data used to measure the fair value of an asset or liability can be divided into different levels of the fair value hierarchy, then the fair value measurement shall be classified entirely at the same level of the fair value hierarchy as the lowest level of the input data that is relevant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period in which the change occurred.

6. Significant accounting policies

Changes in material accounting policies

Except as described below, the accounting policies applied in these interim financial statements are the same as those applied in the most recent annual financial statements (the rules for recognising and measuring income taxes in the interim period are described in Note 12).

(a) Goodwill

Goodwill acquired through a business combination is the excess of the cost of the business combination over the net fair value of identifiable assets, liabilities and contingent liabilities.

Goodwill is measured at cost less any accumulated impairment losses. Goodwill is attributed to cash-generating units and an annual impairment test is carried out or when there is an indication of impairment. Impairment losses on goodwill are not reversed.

Any negative goodwill arising from acquisitions shall be recognised directly in the income statement.

(b) Property, plant and equipment

Property, plant and equipment is recognised at the cost less accumulated depreciation and any impairment losses. Land is reported at fair value less cumulative impairment.

Depreciation is based on costs minus the estimated residual value. Property, plant and equipment is depreciated over the estimated useful life. Right-of-use assets are depreciated over the estimated useful life or contract duration, whichever is the shortest.

Machinery and equipment over 5-10 years
Buildings and construction over 10-50 years
Land is considered to have an indefinite useful life
Computer equipment is depreciated for 3-5 years

Where an item of property, plant and equipment consists of assets with different useful lives, each such significant asset shall be depreciated separately. Depreciation methods and estimated residual values and useful life are reviewed at the end of each year.

When the carrying amount of an asset is higher than its estimated recoverable amount, it is immediately written down to its recoverable amount. Disposal gains and losses are determined by comparing the proceeds to the carrying amount and recognised in the operating result under the relevant heading. Subsequent costs are included in the carrying amount of the asset or recognised as a separate asset, as applicable, only if it is probable that the future economic benefits associated with the item will flow to the Group and the cost of that item can be measured reliably. All other repairs and maintenance are accounted for from the profit and loss account in the financial period in which they were incurred.

(c) Supplies

Inventories are shown at cost and net realisable value. The cost is determined by the weighted average cost method. Net realisable value is the estimated sale price in the ordinary course of business, less the estimated completion costs and estimated costs necessary to make the sale.

(d) Financial income and expenses

Financing costs consist of interest costs on loans, foreign exchange losses and changes in the fair value of financial assets at fair value through profit or loss. Credit losses on financial assets and foreign exchange gains on hedges shall be recognised in the income statement for the year.

Financial income consists of interest income from loans granted, dividends and foreign exchange income.

Credit losses on financial assets and foreign exchange gains and losses are recognised in the income statement for the year. Interest income and expense are recognised in the income statement as accrued.

(e) Operations in foreign currency

Foreign exchange transactions shall be converted into functional currency using the exchange rates applicable on the trading or valuation days where the positions are revalued. Foreign exchange gains and losses arising from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and monetary liabilities denominated in foreign currencies shall be recognised in the income statement.

Foreign exchange gains and losses shall be presented in the income statement either in the profit and loss account or in the operating result for non-operating financial assets and liabilities.

(f) Foreign subsidiaries

The assets and liabilities of foreign subsidiaries, including adjustments to goodwill and fair value arising from consolidation, shall be converted into the presentation currency at the exchange rate prevailing at the balance sheet date. Revenues and expenses of foreign subsidiaries are converted into the currency of presentation at rates similar to those prevailing on the day of the transaction. The resulting exchange differences are recognised in other comprehensive income.

(g) Foreign exchange gains/losses

Foreign exchange losses recognised during the year refer to realised and unrealised losses on translations into monetary assets and liabilities.

7. Operating segments

The Group identified three operating segments. Segments are aggregated according to geographical criteria. Polski komponent operates in the construction industry. The Estonian component belongs to other activities. The Russian segment includes the supply and supply of construction sites.

The following table shows information about the revenue, expense, profit, and loss of each segment. Intersegmental transactions related to interest income and interest expense have been eliminated.

For 6 months ended 30 June 2022 'EUR 000	Russia	Poland	Estonia	Total
External revenue	19810	1207	6	21023
Intersegmental revenue	0	3	8	11
Segment profit (loss) before income tax	575	1097	(268)	1404

Segments are independent and have no revenue or expense between segments.

30 June 2022 'EUR 000	Russia	Poland	Estonia	Total
Segment assets Reporting	32260	11376	34661	78297
Segment liabilities Reporting	26040	9788	1038	36866

8. Revenue

The Group generates revenues mainly from commercial, service and production activities under contracts concluded with the largest construction contractors implementing significant infrastructure projects.

Polish components are subject to seasonal fluctuations depending on weather conditions. In particular, they are adversely affected by winter weather conditions, which occur from January to March. Thefirst quarter of the year typically results in lower revenue and performance for this segment.

The Russian component is not subject to seasonal fluctuations.

(a) **Sources of revenue**

'000 EUR	For 6 months completed 30 June 2022	In 12 months completed 31 December 2021
Revenue from sales of construction equipment and materials	19810	58290
Revenue from construction work	618	1511
Revenue from sales of finished goods	589	1258
Revenues from sale of services	75	98
Total revenue	**21092**	**61157**

(b) **Disaggregation of revenue from contracts with customers**

In the following table, revenue from customer contracts is disaggregated by primary geographic market, major products and service lines, and revenue recognition schedule. The table also contains the reconciliation of disaggregated revenues with the Group's reportable segments.

	Sale of equipment and building materials		Works		Finished products		Total	
'EUR 000	6 m 2022	12 m 2021	6 m 2022	12 m 2021	6 m 2022	2 m 2021	6 m 2022	12 m 2021
Primary geographic markets								
Russia	19810	58290	0	0			19810	58290
Poland			618	1511	589	1258	1207	2769
Total	**19810**	**58290**	**618**	**1511**	**589**	**1258**	**21017**	**61059**

Revenue is recognised when the goods are delivered and the service is accepted by customera. Revenue comes from contracts with customers.

(c) **Performance obligations and revenue recognition rules**

Revenue is measured based on the consideration specified in the contract with the customer. The Group recognizes revenue when control of the good or service is transferred to the customer.

Revenue from the sale of equipment, construction materials and finished goods is recognized when control is transferred to the customer or when the goods are delivered to the customer. Invoices are generated at this time. Contracts may provide for the payment of an advance, and when the goods are sold, full payment is made at the time agreed upon in the contract. Contracts for the delivery of equipment usually do not last longer than two months, and contracts with customers provide for variable remuneration in the form of performance bonuses. The variable remuneration is included in revenues from the sale of goods. Construction contracts are for one to two years.

9. Sales costs

'EUR 000	for 6 months completed June 30, 2022	for 12 months completed December 31, 2021
Materials/ Goods to from sale	3439	2305
Depreciation	484	569
Consumption of materials	63	710
Services	1289	2060
Taxes, fees	19	38
Salaries	422	796
Social security	105	211
Other costs	72	164
Total costs	**5893**	**6853**

10. Other income/expenses

(a) Penalties and court costs

Other expenses include penalties and court costs for non-compliance with the terms of supply contracts in the amount of 158 thousand Euros.

11. Net financial costs

The Group's financial costs include exchange rate differences of 280 thousand EUR and accrued interest on loans received in the amount of EUR 252 thousand.

12. Calculation of earnings per share

The calculation of basic earnings per share as of June 30, 2022 was based on earnings attributable to common shareholders of EUR 1266 thousand (2021: loss of EUR 467 thousand) and a weighted average number of common shares outstanding of 236 620 236 (2021: 188 060 205), calculated as shown below.

	30 June 2022	31 December 2021
Shares issued as at 1 January	236 620 263	18 100 000
Impact of shares issued in March 2021	0	218 520 263
Weighted average number of shares in the reporting period	236 620 236	188 060 205
EARNINGS PER SHARE (EPS)	**30 June 2022**	**31 December 2021**
Profit/loss for the period in EUR	**1266 000**	**(347000)**
Basic ENP (in euro)	0,0053	(0,0018)

13. Income tax expense

Income tax expense for the period

The income tax expense is recognised at the amount determined by multiplying the pre-tax profit (loss) for the interim reporting period by the best estimate by management of the weighted average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognised in full in the interim period. Therefore, the effective tax rate in the interim financial statements may differ from management's estimates of the effective tax rate for the annual financial statements.

'EUR 000	For the period ended until June 30, 2022
Income tax payable	141
Deferred income tax expense	0
Changes in deferred tax assets	(48)
Changes in deferred income tax liabilities	194
Tax expense from continuing operations	**287**

The income tax rate in the RussianFederation is 20%.

A loss was incurred in Polish companies and no income tax was charged for the period ended 30 June 2022. The Group did not calculate deferred tax assets on the amount of losses incurred in Polish companies.

In Poland, the CIT income tax rate for small businesses is 9%.

In Estonia, income tax is paid dpiero only after profit distributions are realized.

14. Adjusted earnings before interest, tax, depreciation and amortization (adjusted EBITDA)

The Management Board presented a measure of adjusted EBITDA results because it monitors the results at the consolidated level and believes that this measure is important for understanding the Group's financial results. The definition of adjusted EBITDA is the same as in the last annual financial statements.

Adjusted EBITDA is not a defined measure of performance in IFRSs. The Group's definition of adjusted EBITDA may not be comparable to similarly titled performance measures and disclosures by other entities

'EUR 000	June 30, 2022	June 30, 2021
Loss for the period	1266	(467)
Income tax expense	141	373
Profit before tax	1407	(94)
Corrections for:	1773	101
– Net financial costs	1289	(468)
– Depreciation	484	569
Adjusted EBITDA	**3180**	**7**

15. Inventories

'EUR 000	June 30, 2022
Materials and supplies	305
Values for resale	3134
Inventories	**3439**

There was no impairment of inventories and no provision was created.
No supplies are pledged.

16. Trade receivables and other receivables

In the group's accounts, receivables are carried at fair value, less the impairment provision.

'EUR 000	June 30, 2022	December 31, 2021
Long-term receivables	**99**	**113**
Trade receivables	21631	29992
Prepayments	0	0
Other receivables	309	331
Short-term receivables	**21940**	**30323**

17. Cash and cash equivalents

Cash in the amount of 56 thousand EUR was placed in the accounts of a sanctioned bank. Cash in the amount of EUR 25 thousand was placed in special treasury accounts. As of June 30, 2022, restrictions are in place on LLC Energokomplekt's checking account in the amount of EUR 339 thousand.

18. Property, plant and equipment

(a) Acquisitions and divestitures

'EUR 000	Land, Buildings and construction	Machinery and equipment	Other	Total
Cost as at 31 December 2021	2160	4662	65	6887
Additions through business combination	0	0	0	0
Additions	0	0	0	0
Disposals	(213)	(2050)	0	(2263)
Effect of movement in exchange rates	0	0	0	0
Cost as at 30 June 2022	**1947**	**2612**	**65**	**4624**
Accumulated depreciation as at 31 December 2021	**118**	**1307**	**57**	**1482**
Accumulated depreciation through business combination	0	0	0	0
Depreciation	(20)	(460)	(4)	(484)
Impairment loss	0	0	0	
Disposal	0	(510)	0	(510)
Effect of movement in exchange rates	0	0	0	0
Accumulated depreciation as at 30 June 2022	103	365	57	525
Carring amount as at 31 December 2021	**2042**	**3355**	**8**	**5405**
Carring amount as at 30 June 2022	**1844**	**2247**	**8**	**4099**

(b) Impairment loss and subsequent reversal

As of June 30, 2022, the Group reviewed property, plant and equipment for any signs of impairment. The Group performed an impairment test due to the unstable economic environment in Russia and the loss incurred in connection with the Polish component. For impairment testing purposes, goodwill is allocated on the basis of the fair value of shares issued (see Note 24). Property, plant and equipment are not impaired.

19. Goodwill

Reconciliation of carrying amount

'EUR 000	June 30 2022
Cost	**31279**
Balance at beginning of period	31279
Acquisition through business combination (see Note 21(a))	0
incl. Poland component	0
incl. Russian component	0
Balance as at 30 June 2022	31279
Impairment losses	**0**
Balance at beginning of period	31279
Impairment loss	0
Balance at end of period	31279
Carrying amount	**31279**
Balance at beginning of period	31279
Balance at end of period	31279

Polish component

The Group estimated the recoverable amount of CTUs included in this operating segment. As a result of this assessment, it was found that the carrying amount of the CGU is lower than its recoverable amount. As of June 30, 2022, there is no impairment of goodwill.

The recoverable amount of the CGU was based on its value in use.

- Cash flow was forecast based on experience, actual operating results and a five-year business plan. Cash flow for the next 1 2-year period was extrapolated using a fixed growth rate of 2%, which does not exceed the long-term average growth rate for the industry.
- It was assumed that the sales volume would increase from20 22 to 2026 by 10% per year, which is in line with the forecasts contained in industry reports.
- A pre-tax discount rate of 7.3% was used to determine the recoverable amount of units The discount rate was estimated based on the industry's weighted historical weighted average cost of capital.

Russian component

The Russian component generated profit in 6 months of 2022.

However, it operates in Russia in an unstable economic environment and therefore a loss test was carried out. The estimated recoverable amount of CGU exceeded the book value of goodwill and as of 30 June 2022 there was no impairment.

The recoverable amount of the CGU is determined on the basis of the value in use.

"Cash flow was forecast based on past experience, actual operating results and a five-year business plan. Cash flow for the next 5 years was extrapolated using a fixed growth rate of 3%, which does not exceed the long-term average growth rate for the industry.

"It was assumed that sales volumes would grow at a rate of 10-12% per year in 2022-2026, which is in line with the forecasts of industry reports.

- A pre-tax discount rate of 18.57% was applied in determining the recoverable amount of the centres. The discount rate was estimated based on the industry's historical weighted average cost of capital.

20. Capital and reserves

(a) Dividends

During the six months ended June 30 , 2022 , the company did not report or pay dividends.

(b) Conversion reserve

The translation provision shall comprise all exchange differences arising from the translation of the financial statements of foreign operations.

21. Loans and credits

This note provides information on loans by source and maturity.

The Group has no bank loans. Polish entities are repaying loans into which government subsidies were converted to help maintain jobs during the COVID-19 epidemic. The repaid portion of the subsidies is subject to repayment.

'EUR 000	June 30, 2022	December 31, 2021
Long-term liabilities		
Loans from related parties	4787	0
Loans from other parties	5	18
Total	**4792**	**18**
Current liabilities		
Loans from related parties	3320	0
Loans from other parties	2075	4377
Total	**5395**	**4377**

'EUR 000	Currency	Nominal interest rate	Repayment year	Carrying amount
Loans received	RUB	10,60%	2022	4680
Loans received	EUR	1-8,5%	2022	5007
Loans received	USD	6-8%	2022	500
Total				**10187**

The Group has no overdue or outstanding liabilities.

22. Trade and other liabilities

'EUR 000	June 30, 2022	December 31, 2021
Trade commitments	23766	32768
Advances received	0	0
Other liabilities	2078	3180
Total	**25844**	**35948**

23. Unforeseen emergencies

Litigation and Claims

As at the reporting date, a number of cases initiated by the Group's subsidiariesrelated to business disputes were still pending before the courts. In the opinion of the management, losses related to claims are not significant for the Financial Position of the Group.

24. Financial instruments and risk management

Financial risk management

The Management Board has overall responsibility for establishing and supervising the Group's risk management framework. The Management Board is responsible for identifying and analyzing the risks to which the Group is exposed, andfor the transfer of appropriate risk limits and controls, as well as for monitoring the risk and compliance with the limits.

The Group may have exposure to the following risks arising from financial instruments:

(a) Credit risk

Credit risk is the risk of financial loss for the Group in the event of failure by the client or counterparty of a financial instrument to meet its contractual obligations and results mainly from the Group's receivables from clients and investments.

The Group's maximum exposure to credit risk is determined by the carrying amount of the following financial assets and off-balance sheet liabilities:

	June 30, 2022	December 31, 2021
Loans	566	444
Trade receivables and other financial receivables	21940	30323
Cash and cash equivalents	654	3548
Contingent liabilities under guarantees and sureties	0	0
Total credit risk exposure	**23160**	**34315**

The Group continuously monitors the arrears of clients and creditors in payment, analyzing credit risk individually or within individual asset classes determined due to credit risk (e.g. resulting from industry, region or customer structure). In addition, as part of credit risk management, the Group carries out transactions with counterparties of proven credibility.

In the table above, non-financial receivables such as taxes and other benefits receivables, costs paid in advance, prepayments and advances are not included in the receivables item.

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in fulfilling its obligations related to financial liabilities, which are settled by providing cash or another financial asset.

The objective of the Liquidity Management Group is to ensure, as far as possible, that ithas sufficient liquidity to meet its obligations as they fall due, under both normal and extreme conditions, without incurring unacceptable losses or risk of damage to the Group's reputation.

(c) Currency risk

The Group is exposed to transactional currency risk to the extent that there is a discrepancy between the currencies in which receivables and loans are denominated and the corresponding functional currencies of the Group companies. The functional currencies of the Group companies are euro (EUR), ruble (RUB) and zloty (PLN).

Most of the transactions carried out by the Group's units are carried out in the local currency of the country in which the business is conducted.

The following is an analysis of the sensitivity of the financial result depending on the potential fluctuation of the EUR/PLN exchange rate up and down by 10% compared to the closing price in force at the balance sheet date for balance sheet items as at 30 June 2021:

	Exchange rate fluctuations	Impact on the financial result:
As at June 30, 2022		
Increase in the exchange rate	10%	1392
Decrease in the exchange rate	-10%	1139
As at December 31, 2021		
Increase in the exchange rate	10%	(420)
Decrease in the exchange rate	-10%	(514)

The risk associated with other currencies in connection with the Group's operations outside the Polish is not material. No impact on other comprehensive income.

(d) Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Group has no exposure to interest rate risk, as it has no loans.

25. Related parties

Related parties are minority shareholders and companies whose beneficiary is the majority shareholder of the Group.

Remuneration for management and board members

	June 30, 2022	June 30, 2021
Salariesand bonuses	11	29
Social costs	6	9
Total	**17**	**38**

Transactions

(i) Revenue		
'EUR 000	**Transaction value as at June 30, 2022**	**Transaction value as at June 30, 2021**
Sale of goods and services		
Entities having a significant impact on the Group	19810	25020

(ii) Expenditure		
'EUR 000	**Transaction value as at June 30, 2022**	**Transaction value As at June 30, 2021**
Purchase of goods		
Entities having a significant impact on the Group	16741	22600
Services received		
Entities having a significant impact on the Group	648	280

(iii) Balances with related parties		
''000 EUR	**Transaction value as at June 30, 2022**	**Transaction value as at December 31,2021**
Trade receivables		
Entities having a significant impact on the Group	21240	29890
Advances spent		
Entities having a significant impact on the Group	0	0
Other receivables		
Entities having a significant impact on the Group	0	0
Trade commitments		
Entities having a significant impact on the Group	23284	32487
Advances received		
Entities having a significant impact on the Group	0	0
Other liabilities		
Entities having a significant impact on the Group	1533	678

(iv) Loans and credits

'EUR 000	As at December 31, 2021	Loans received as at June 30, 2022	Loans repaid	Accrued interest	Interest paid	As at June 30,2022
Entities having a significant impact on the Group	1573	550	1400	60	309	474

(v) Loans granted

'EUR 000	Consolidation loans	Loans granted as at June 30, 2022	Loans repaid	Accrued interest	Interest paid	As at June 30,2022
Entities having a significant impact on the Group	5086	30	1329	302	76	4013

26. Events after the balance sheet date

(a) Economic consequences of the Russian-Ukrainian conflict

In connection with the armed conflict in Ukraine, the United States of America, the European Union and other countries have imposed severe sanctions on the Russian Federation, resulting m.in restrictions on the supply of goods and services to Russian entities, the movement of capital and banking and financial services for Russian entities.

The events described are likely to increase the discount rate. This may result in the impairment of the Russianego asset, but it is not possible to quantify the financial impact.

The Management Board considers that this is an event that does notrequire adjustment after the balance sheet date, the quantitative impact of which cannot currently be reasonably estimated.

The Management Board is currently assessing the potential impact of the changing micro- and macro-environment on the Company's financial position and results of operations and considers it necessary to pay attention to the following important aspects regarding the prospects of the group companies for the second half of 2022 and subsequent years.

Conpol Ltd. and Universim Ltd.operate on the domestic Polish market, supplying bituminous and concrete mixtures for road construction and performing road works on their own. The road development plan, which has been adopted for several years, allows the company to expect an increase in revenue and to secure the company's work front.

LLC Energokomplekt operates in the sphere of complete supplies for the largest construction infrastructure projects in the Russian Federation, which are included in long-term regional development plans. LLC Energokomplekt is not dependent on external (banking) sources of financing and has no liabilities in foreign currencies. The concluded contracts allow the company to shape revenues taking into account the increase in the prices of imported equipment and raw materials. The adopted sanctions packages do not affect the company and its related natural and legal persons.

(b) Commencement of the procedure for changing the registered office of RESBUD SE

On July 5, 2022, the Management Board began the procedure of changing the country of the company's registered office and its transfer to Polish. The Management Board of the Company presented a Report explaining and justifying the legal and economic aspects of the transfer and explaining the consequences of the transfer for shareholders, creditors and employees referred to in Article 8(3) of Council Regulation (EC) No 2157/2001 on the Statute of the European Company (SE) of October 8, 2001.

As a result of the Transfer procedure, the Company will maintain legal continuity and maintain the legal form of the European Company, which means that the Company will continue its activities in the current scope. The existing provisions of the SE Regulation will continue to apply to the functioning of the Company, and to the extent not regulated in the SE Regulation, the provisions of the law of the Republic of Poland will apply to the functioning of the Company.

On September 12, 2022, the Extraordinary General Meeting of Shareholders of RESBUD SE, by resolutions No. 1 and 3, decided to transfer the Registered Office of the Company and the seat of the Management Board of the Company from Tallinn in the Republic of Estonia to the territory of the Republic of Poland, and to select the parent deposit for the dematerialized shares of the Company after the transfer of the Company's registered office to Polish.

Thechange of the Company's registered office did not affect the listing of the Company's shares on the Warsaw Stock Exchange.

Detailed information on the transfer of the company, including the transfer plan and schedule , is available on the website at https://www.resbud.ee/en/reports/current-report-no-10-2022-commencement-of-the-procedure-for-changing-the-registered-office-of-the-company/.

(c) Amendment of the Articles of Association and composition of the Supervisory Board

Due to the fact that the Company's registered office in the territory of the Polish, it became necessary to adapt the regulations in force in the Company to the provisions of the law of the Republic of Poland, to the extent that it is necessary for its proper operation.

The current content of the Company's Articles of Association is available on the website: https://www.resbud.ee/en/reports/current-report-no-14-2022-notice-to-shareholders-concerning-the-conduct-of-the-extraordinary-general-meeting-convened-on-12-september-2022/.

Due to national regulations, the personal structure of the Supervisory Board, which currently has 5 members, has also been expanded. The Extraordinary General Meeting on September 12, 2022 appointed Mr. Maciej Grabowski and Mr. Sergiusz Pietrosz to the Supervisory Board.

Current composition of the Supervisory Board of RESBUD SE:

- Alexey Petrov (Chairman)
- Adam Zaremba
- Anna Jõemets
- Maciej Grabowski
- Sergiusz Pietrosz

Information on the new members of the Supervisory Board can be found on the Company's website at: https://www.resbud.ee/en/reports/current-report-no-15-2022-changes-in-the-composition-of-the-supervisory-board/.

(d) Advanced negotiations on the sale of the Russian asset

The Management Board of RESBUD SE is conducting advanced talks regarding the sale of the Russian asset – LLC Energokomplet.

The Company will keep you informed about the steps taken in this respect via the website and the Internet website.

These Condensed Consolidated Interim Financial Statements for the six months ended June 30, 2022 have not been audited or reviewed by an auditor.

The Condensed Consolidated Interim Financial Statements for the six months ended June 30, 2022 were approved by the Board of Directors of RESBUD SE on September 30, 2022 and signed on its behalf by:

DLUGOSZ,KRZYSZTOF WLODZIMIERZ,36207270138 Elektronicznie podpisany przez DLUGOSZ,KRZYSZTOF WLODZIMIERZ,36207270138 Data: 2022.09.30 14:41:22 +02'00'	DYJA,JOANNA MARIA,46308250085 Elektronicznie podpisany przez DYJA,JOANNA MARIA,46308250085 Data: 2022.09.30 14:34:18 +02'00'
....	....
Krzysztof Długosz	**Joanna Dyja**
President of the Management Board	Member of the Management Board