



FABRYKI MEBLI „FORTE” S.A. CAPITAL GROUP

EXTRACT OF CONSOLIDATED FINANCIAL REPORT

For the period
from 01.04.2024 to 30.09.2024

Ostrów Mazowiecka, 6 December 2024
www.FORTE.com.pl



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CONSOLIDATED SELECTED FINANCIAL DATA

Consolidated financial data	in thousands of PLN		in thousands of EUR	
	01.04.2024- 30.09.2024 (unaudited)	01.04.2023- 30.09.2023 (unaudited)	01.04.2024- 30.09.2024 (unaudited)	01.04.2023- 30.09.2023 (unaudited)
Sales revenue	478 902	475 666	111 562	105 336
Profit on operating activities	13 918	-11 892	3 242	-2 633
Profit before tax	7 601	-21 860	1 771	-4 841
Net (profit) loss attributable to equity owners of the Parent company	2 039	-70 127	475	-15 530
Total comprehensive income for the period	-2 297	-43 816	-535	-9 703
Net cash flow from operating activities	43 623	52 882	10 162	11 711
Net cash flow from investment activities	1 483	-34 149	345	-7 562
Net cash flow from financial activities	7 947	-31 541	1 851	-6 985
Net (increase)/ decrease in cash and cash equivalents	53 177	-12 793	12 388	-2 833
Number of shares	23 930 796	23 930 796	23 930 796	23 930 769
Net profit per share attributable to equity owners of the Parent Company (in PLN/EUR)	0,09	-2,93	0,02	-0,65
	30.09.2024 (unaudited)	31.03.2024 (audited)	30.09.2024 (unaudited)	31.03.2024 (audited)
Total assets	1 478 697	1 438 382	345 563	334 437
Total liabilities	571 224	528 607	133 492	122 906
Long-term liabilities	349 213	59 842	81 609	13 914
Short-term liabilities	222 012	468 765	51 883	108 992
Total equity attributable to equity owners of the Parent company	905 535	907 829	211 618	211 079
Share capital	23 931	23 931	5 593	5 564
Book value per share (in PLN/EUR)	37,84	37,94	8,84	8,82

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	01.04.2024- 30.09.2024 (unaudited)	01.04.2023- 30.09.2023 (unaudited)	For the 3 months ended 30 September 2024 (unaudited)	For the 3 months ended 30 September 2023 (unaudited)
Sales revenue	478 902	475 666	228 096	211 995
Cost of sales	319 100	331 809	150 671	147 907
Gross profit from sales	159 803	143 857	77 425	64 088
Other operating revenue	8 532	4 095	362	1 232
Costs of sales	105 815	109 082	51 360	51 500
General administrative costs	42 040	40 645	17 932	19 481
Other operating costs	6 562	10 117	3 714	8 782
Profit/(loss) on operating activities	13 918	-11 892	4 782	-14 443
Financial revenue	2 288	2 308	2 115	-5 608
Financial costs	21 599	12 162	6 510	6 595
Profit on derivative financial instruments	352	740	134	418
Share in the profit/(loss) of investments valued at equity method	12 641	-854	15 287	-1 238
Profit/ (loss) before tax	7 601	-21 860	15 808	-27 466
Income tax	5 568	48 294	2 379	43 991
Profit/(loss) on continued operations of the period	2 033	-70 153	13 429	-71 457
Profit/ (loss) of the period	2 033	-70 153	13 429	-71 457
Attributable to:				
Non-controlling shareholders	-6	-27	-5	-26
Shareholders of the Parent Company	2 039	-70 127	13 434	-71 431
Profit/(loss) on continued operations of the period in PLN:				
- basic	0,09	-2,93	0,56	-2,99
- diluted	0,09	-2,93	0,56	-2,99

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	01.04.2024- 30.09.2024 (unaudited)	01.04.2023- 30.09.2023 (unaudited)	For the 3 months ended 30 September 2024 (unaudited)	For the 3 months ended 30 September 2023 (unaudited)
Profit/ (loss) of the period	2 033	-70 153	13 429	-71 455
Other comprehensive income before tax, including:	-5 140	32 454	-1 660	-25 328
Items which in the future may be reclassified to the profit and loss account	-5 140	32 454	-1 660	-25 328
Foreign exchange differences on translation of foreign operations	-1 259	-311	-1 116	142
Hedge accounting	-3 881	32 765	-544	-25 470
Deferred tax connected with items which in the future may be reclassified to the profit and loss account	-810	6 117	-136	4 905
Deferred tax regarding hedge accounting	-810	6 117	-136	4 905
Other net comprehensive income	-4 330	26 337	-1 524	-20 423
Total comprehensive income/(loss) for the period	-2 297	-43 816	11 905	-91 878
Attributable to:				
Non-controlling shareholders	-1	-27	0	-26
Shareholders of the Parent Company	-2 296	-43 789	11 905	-91 852

CONSOLIDATED STATEMENT OF FINANCIAL SITUATION (BALANCE SHEET)

	30 September 2024 (unaudited)	31 March 2024 (audited)
Non-current assets	915 824	974 592
Tangible fixed assets	780 332	806 109
Intangible assets	31 698	29 271
Investment in subsidiaries	551	550
Other long-term financial assets	10 094	10 308
Real estate investment	54 316	54 313
Assets on deferred tax	8 415	12 641
Investments valued at equity method	12 834	0
Financial derivative instruments receivables	17 584	61 400
Current assets	562 873	463 790
Inventory	207 913	190 648
Trade and other receivables	167 112	168 350
Financial derivative instruments receivables	102 627	63 059
Income tax receivables	989	10 623
Financial assets	136	190
Cash and cash equivalents	84 097	30 920
TOTAL ASSETS	1 478 697	1 438 382
Total equity	907 473	909 775
Equity (attributable to shareholders of the Parent Company), including:	905 535	907 829
Basic equity	23 931	23 931
Surplus of share sale above their nominal value	114 556	114 556
Other reserve capital	117 122	121 457
Retained earnings	649 926	647 885
Capital attributable to non-controlling shareholders	1 938	1 946
Long-term liabilities	349 213	59 842
Provision for benefits after the employment period	4 225	4 226
Interest-bearing loans and borrowings	293 260	3 925
Trade and other long-term liabilities	584	623
Long-term subsidies	17 542	14 917
Financial liabilities due to lease	33 602	33 769
Other long-term financial liabilities	0	2 382
Short-term liabilities	222 012	468 765
Trade and other liabilities	155 579	141 599
Contract liabilities	955	843
Short-term subsidies	310	320
Income tax liabilities	43	4
Current portion of interest-bearing loans and borrowings	60 498	321 074
Financial liabilities due to lease	2 108	1 964
Liabilities due to financial derivative instruments	0	366
Provision for benefits after the employment period	579	579
Other accruals	1 941	2 016
Total liabilities	571 224	528 607
TOTAL LIABILITIES	1 478 697	1 438 382

CONSOLIDATED CASH FLOW STATEMENT

	01.04.2024- 30.09.2024 (unaudited)	01.04.2023- 30.09.2023 (unaudited)
Cash flows from operating activities		
Profit/ (loss) of the period	2 033	-70 153
Adjustments by:	32 447	111 319
Share of profit/(loss) of investments valued at equity method	-12 641	854
Depreciation	28 000	27 402
Foreign exchange losses	-1 859	-3 392
Interest income	-58	-60
Interest costs	10 386	11 877
(Profit)/ loss on investing activity	-7 070	-2 555
Current tax recognised in profit or loss account	5 568	48 294
Change in receivables	1 239	42 860
Change in inventories	-17 265	5 759
Change in liabilities, excluding loans and borrowings	15 017	-20 749
Change in provisions	-77	1 288
Other adjustments	11 210	-259
Cash flows from operating activities	34 481	41 165
Income tax paid	9 142	11 717
Net cash flows from operating activities	43 623	52 882
Cash flows from investment activities		
Sale of intangible assets	7 556	2 646
Sale of tangible assets	696	228
Sale of shares in investments valued at equity method	2	0
Purchase of tangible fixed assets	-3 278	-36 286
Real estate investments	-3	-50
Purchase of shares in related entities	0	-20
Purchase of shares in investments valued at equity method	-3 490	0
Purchase of shares in unrelated entities	0	-698
Borrowings interest received	0	30
Net cash flows from investing activities	1 483	-34 149
Cash flows from financing activities		
Inflows from loans and borrowings taken out	42 879	19 462
Repayment of loans and borrowings	-12 909	-37 945
Repayment of leasing liabilities	-1 023	-941
Payment of dividends to non-controlling shareholders	-2	-2
Interest paid	-11 213	-12 115
Other financial inflows/ outflows	-9 785	0
Net cash flows from financial activities	7 947	-31 541
Net increase/ (decrease) in cash and cash equivalents before exchange differences	53 053	-12 807
Net foreign exchange differences (from the opening balance translation)	124	14
Net increase /(decrease) in cash and cash equivalents	53 177	-12 793
Opening balance of cash	30 920	29 342
Closing balance of cash, including:	84 097	16 549
of limited disposability	298	59

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period ended 30 September 2024 (unaudited)

	Share capital	Share premium	Retained earnings	Other reserve capital	Total capital attributed to controlling shareholders	Total capital of non-controlling shareholders	Total equity
Status at the beginning of the period	23 931	114 556	647 885	121 457	907 829	1 946	909 775
Payment of dividend	0	0	0	0	0	-2	-2
Other changes	0	0	2	-5	-3	0	-3
<i>Current result</i>	0	0	2 039	0	2 039	-6	2 033
<i>Other comprehensive income for the period</i>	0	0	0	-4 330	-4 330	0	-4 330
Comprehensive income for the period	0	0	2 039	-4 330	-2 291	-6	-2 297
Change in equity	0	0	2 042	-4 335	-2 294	-8	-2 302
Status at the end of the period	23 931	114 556	649 926	117 122	905 535	1 938	907 473

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2024 (audited)

	Share capital	Share premium	Retained earnings	Other reserve capital	Total capital attributed to controlling shareholders	Total capital of non-controlling shareholders	Total equity
Status at the beginning of the period	23 931	114 556	708 490	32 900	879 877	2 121	881 998
Payment of dividend	0	0	0	0	0	-2	-2
Other changes	0	0	3	0	3	-2	1
<i>Current result</i>	0	0	-60 608	0	-60 608	-171	-60 779
<i>Other comprehensive income for the period</i>	0	0	0	88 557	88 557	0	88 557
Comprehensive income for the period	0	0	-60 608	88 557	27 949	-171	27 778
Change in equity	0	0	-60 605	88 557	27 952	-175	27 777
Status at the end of the period	23 931	114 556	647 885	121 457	907 829	1 946	909 775

Seasonality of operations

For the reporting period	Domestic revenues	Share % in total quarter revenues	Export revenues	Share % in total quarter revenues	Revenues from sales of products, materials, goods and services
I Q 2024 (04-06.2024)	53 749	21%	197 057	79%	250 806
II Q 2024 (07-09.2024)	58 761	26%	169 335	74%	228 096
1H 2024	112 510		366 392		478 902
I Q 2023 (04-06.2023)	48 546	18%	215 125	82%	263 671
II Q 2023 (07-09.2023)	46 206	22%	165 789	78%	211 995
1H 2023	94 752		380 914		475 666

Revenues and costs

Sales revenues

Sales revenues	For the reporting period	
	01.04.2024-30.09.2024 (unaudited)	01.04.2023-30.09.2023 (unaudited)
Revenues from sales of goods, products and materials	470 729	470 064
- products, including:	390 835	424 071
<i>result of hedge accounting</i>	20 259	0
- goods	3 855	3 677
- materials	76 039	42 316
Revenues from sales of services	8 173	5 603
Total net revenues from sales	478 902	475 666
- including from related entities	6 430	4 510

Other operating revenues

Other operating revenues	For the reporting period	
	01.04.2024-30.09.2024 (unaudited)	01.04.2023-30.09.2023 (unaudited)
Reversal of impairment write-downs receivables	1	81
Reversal of impairment write-downs others	227	625
Gain on sale of property, plant and equipment	12	185
Gain on sale of intangible assets	7 556	2 646
Subsidies	61	40
Donations and compensations	320	157
Other	355	361
Total other operating revenues	8 532	4 095

Other operating cost

Other operating costs	For the reporting period	
	01.04.2024-30.09.2024 (unaudited)	01.04.2023-30.09.2023 (unaudited)
Creation of revaluation write-downs inventories	48	0
Creation of revaluation write-downs receivables	129	203
Liquidation and impairment losses on property, plant and equipment	20	277
Scrapping of inventory	641	1 385
Donations	91	158

Penalties and compensations	1 121	365
Loss on disposal of property, plant and equipment	478	0
Damages removing costs	26	271
Unused production capacity	3 611	7 287
Other	396	172
Other operating costs, total	6 562	10 117

Financial revenues

Financial revenue	For the reporting period	
	01.04.2024- 30.09.2024 (unaudited)	01.04.2023- 30.09.2023 (unaudited)
Gain on sale of shares	2	0
Interest	242	129
Credit valuation at amortised cost	0	335
Exchange differences of financial assets and liabilities	2 044	1 844
Financial revenues, total	2 288	2 308

Financial costs

Financial costs	For the reporting period	
	01.04.2024- 30.09.2024 (unaudited)	01.04.2023- 30.09.2023 (unaudited)
Interest on loans, credits	9 533	11 033
Interest on leasing	852	844
Credit valuation at amortised cost	1 365	0
Other	9 848	284
Financial costs, total	21 599	12 162

Costs by type

Costs by type	For the reporting period	
	01.04.2024- 30.09.2024 (unaudited)	01.04.2023- 30.09.2023 (unaudited)
Depreciation	28 000	27 402
Consumption of materials and energy	167 281	207 877
External services	86 315	90 221
Taxes and fees	8 921	8 388
Payroll	98 233	91 684
Social insurance and other benefits	20 261	19 653
Other costs by type	6 816	7 613
Costs by type	415 827	452 839
Change in product inventory and accruals	10 466	5 389
Manufacturing cost of products for internal purposes	2 356	1 076
Scrapping of products and semi-finished products	375	693
Unused production capacity	3 611	7 287
Costs of sales	105 815	109 082
General administrative costs	42 040	40 645
Manufacturing cost of sold products and services	251 164	288 667
Value of goods and materials sold	67 936	43 142
Costs of sales	319 100	331 809

Commentary to the Group results and basic economic-financial amounts

Group performance and key economic and financial data:

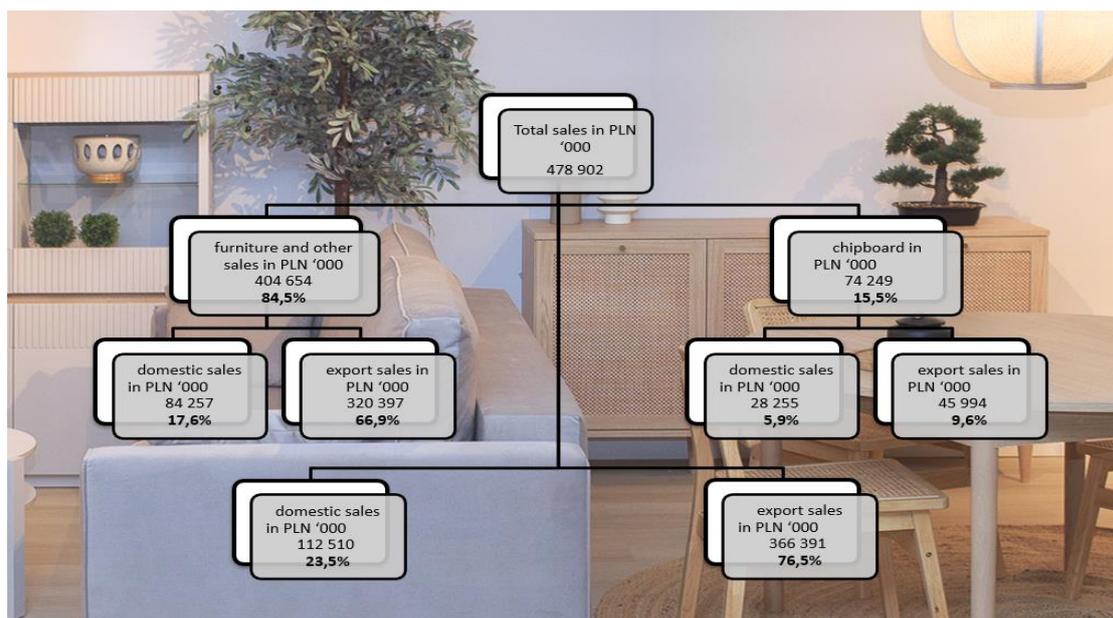
Item	01.04.2024- 30.09.2024 in PLN '000	01.04.2023- 30.09.2023 in PLN '000	Change in PLN '000	Change %
Sales revenue	478 902	475 666	3 236	0,7%
Cost of sales	-319 100	-331 809	-12 709	-3.8%
Gross profit on sales	159 803	143 857	15 946	11.1%
Gross margin on sales %	33,4%	30,2%		
Selling costs	-105 815	-109 082	-3 267	-3.0%
G&A costs	-42 040	-40 645	1 395	3.4%
Operating profit (EBIT)	13 918	-11 892	25 810	217.0%
EBITDA	41 918	15 510	26 408	170.3%
Share in profit/(loss) of subsidiaries valued under the equity method	12 641	-854	13 495	1580.2%
Gross profit	7 601	-21 860	29 461	134.8%
Net profit	2 033	-70 153	72 186	102.9%
Net profit margin %	0,42%	-14,70%		
Return on equity (ROE)	0,22%	-8,40%		
Return on assets (ROA)	0,14%	-4,90%		

In the period April - September 2024, the FORTE Group earned **sales revenue** of PLN 478 902 thousand, compared to PLN 475 666 thousand in the same period of 2023 (an increase by 0.7%).

Sales of surplus chipboard manufactured by the subsidiary TANNE accounted for 15.5% of the FORTE Group's total sales, with a 9.6% share of export sales (PLN 45 994 thousand) and a 5.9% share of domestic sales (PLN 28 255 thousand).

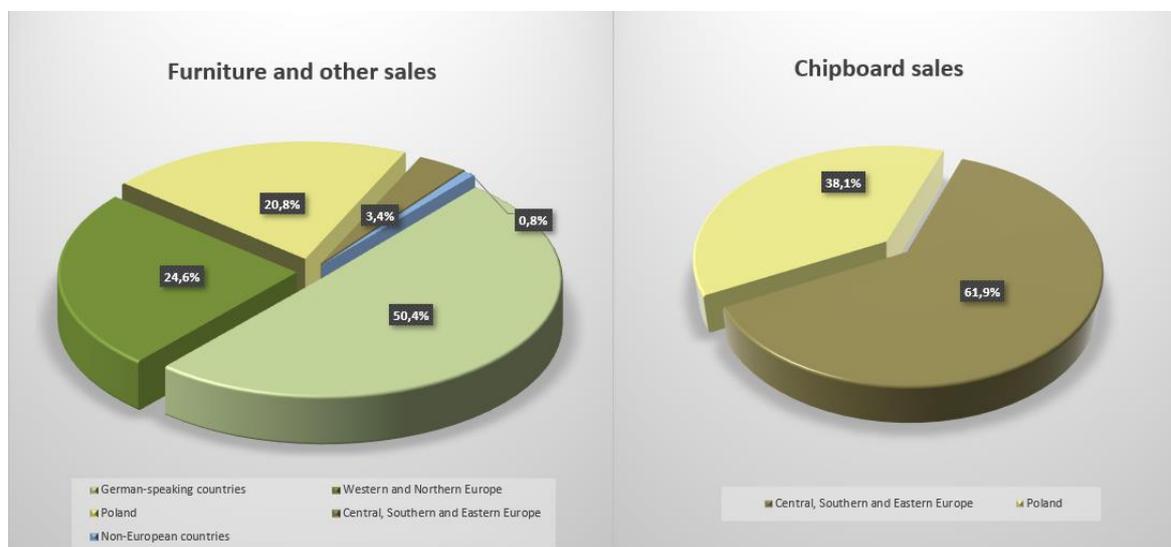
Chipboard sales to external customers throughout the reporting period amounted to PLN 74 249 thousand, compared to PLN 41 118 thousand in the period April - September 2023 (an increase by 80.6%).

Furniture and other sales of the Group accounted for 84.5% of total sales (PLN 404 654 thousand), with export sales of PLN 320 397 thousand (66.9%) and domestic sales of PLN 84 257 thousand (17.6%).



Percentage of furniture and other sales in individual markets was as follows: German-speaking countries 50.4%, Western and Northern Europe 24.6%, Poland 20.8%, Central, Southern and Eastern Europe 3.4% and Non-European countries 0.8%.

Percentage of chipboard sales in individual markets was as follows: Poland 38.1%, Central, Southern and Eastern Europe 61.9%.



Gross margin on sales stood at a level of 33.4%, which is 3.2 pp. higher than in the corresponding period last year.

Selling costs – the selling costs to revenue ratio was 22.1% vs. 22.9% in the corresponding period last year. In terms of value, selling costs decreased by PLN 3 267 thousand, mainly as a result of a decrease in sales revenue (PLN 390 835 thousand vs. PLN 424 071 thousand in the corresponding period).

G&A costs – the G&A costs to revenue ratio was 8.8% vs. 8.5% in the comparative period. This increase in the G&A costs to revenue ratio in the reporting period is due to the creation of a provision for non-compete compensation of PLN 2 500 thousand and for the payment of a special bonus of PLN 3 500 thousand to the former CEO of the Parent Company – Mr Maciej Formanowicz. The Supervisory Board decided to grant the bonus to Mr Maciej Formanowicz in recognition of his contribution to the establishment and development of FORTE, his many years of managing the Company and the FORTE Group, and for setting the directions for the development of the Parent Company and the FORTE Group. The G&A costs to revenue ratio was also affected by a provision of PLN 4 000 thousand created for the payment of an annual bonus to employees.

Operating profit amounted to PLN 13 918 thousand, compared to PLN -11 892 thousand in the corresponding period of 2023. EBIT in the reporting period was positively influenced by the sale of 25 000 CO2 emission allowances allocated for free to TANNE. They were sold at the price of EUR 70-70.5 per allowance, which generated additional income of PLN 7 556 thousand. vs. PLN 2 656 thousand in the comparative period of the previous year. The Group's profitability also improved due to the implementation of a standard two-week summer shutdown at TANNE vs. a one-month summer shutdown in the previous financial year. This resulted in a lower burden of costs of unused production capacity on operating activities (PLN 3.6 million in Q2 2024 vs. PLN 7.3 million in Q2 2023). In addition, the Group's performance has already started to show the benefits of the optimisation and savings programmes implemented by the Management Board in H2 of the previous financial year.

Result on financial operations amounted to (PLN -19 311 thousand).

The most significant item of financial expenses was interest on loans totalling PLN 9 533 thousand and the payment of funds secured by an SBLC letter of credit in the equivalent amount of PLN 9 775 thousand in favour of Deutsche Bank in connection with a breach of the terms of a loan agreement by the Indian joint-venture entity.

The result on financial operations in the ended reporting period was positively influenced by exchange rate differences on valuation of foreign currency assets and liabilities, which totalled PLN 2 044 thousand on the financial income side.

Net profit in the reporting period amounted to PLN 2 033 thousand against a loss of PLN -70 153 thousand in the same period of 2023 (an increase by 103%).

The net profit for the reporting period was directly negatively affected by the use of an asset for tax reliefs by the zone companies TANNE and DYSTRI-FORTE in the total amount of PLN 7 627 thousand.

Financial figures of the Fabryki Mebli „FORTE” S.A. Group

Characteristics of balance sheet items	30.09.2024 (unaudited)		31.03.2024 (audited)		% change
	PLN '000	% of balance sheet total	PLN '000	% of balance sheet total	
Non-current assets	915 824	61,93%	974 592	67,8%	-6,03%
Current assets	562 873	38,07%	463 790	32,2%	21,36%
Total assets	1 478 697	100%	1 438 382	100%	21,36%
Equity	907 473	61,41%	909 775	63,2%	21,36%
Non-current liabilities and provisions	349 213	23,58%	59 842	4,2%	21,36%
Current liabilities and provisions	222 012	15,01%	468 765	32,6%	21,36%
Total equity and liabilities	1 478 697	100,00%	1 438 382	100%	21,36%

Non-current assets decreased by PLN 58 768 thousand. The largest decrease in non-current assets was reported for non-current receivables from derivative financial instruments hedging against foreign exchange risk, as a result of shifting their valuation to current receivables due to the approaching maturity dates of options held (by PLN 43 816 thousand). In addition, tangible fixed assets decreased (by PLN 25 777 000) due to an excess of depreciation of assets over capital expenditure incurred in the reporting period.

Current assets increased by PLN 99 083 thousand. The most significant increase compared to the end of the previous financial year (by PLN 39 568 thousand) was due to the transfer of non-current receivables from the valuation of option strategies to current receivables, an increase in inventories by PLN 17 265 thousand and an increase in cash by PLN 53 177 thousand.

On the **liabilities** side, the most significant changes involve an increase in trade and other current liabilities by PLN 13 979 thousand and the reclassification of current loan liabilities to non-current liabilities (by PLN 289 335 thousand) as a result of the Joint Terms Agreement concluded by the Group with all financing banks with a set loan repayment schedule until the end of March 2027.

In the completed reporting period, the Group identified several significant factors that affected its financial performance and its growth prospects.

Negative factors:

- continued very low demand for furniture in Western European countries, which resulted in low sales volumes and lack of utilisation of existing production capacity;
- strengthening of the PLN/EUR exchange rate;
- increasing concentration on the markets of Western European countries, mainly on the German market.

Positive factors:

- additional income from the sale of CO2 emission allowances;
- positive effect of the reduction of costs, including employment, which will be fully visible in the results of the entire financial year;
- offering collections dedicated to individual customers, extending EasyKlix furniture sales to more customers and strengthening sales through online channels;
- use of own photovoltaic farms, which significantly reduces the cost of electricity consumed (by approx. 16%).

The major factors which, in the opinion of the Management Board, may affect the Group's performance in the following reporting periods include:

- economic situation on furniture markets in Europe and on the domestic market,
- concentration of furniture associations in Europe,
- liquidity risk of customers,
- bankruptcies of furniture companies and opportunities for the FORTE Group to take over their product range,
- availability of raw materials for furniture and furniture board production and stability of their prices, with particular consideration of the policy of the Polish State Forests,
- stability of the EUR/PLN exchange rate,

- effective pro-sales activities, including the introduction of upholstered furniture and furniture in the new EasyKlix easy assembly technology to the Group's product range,
- employment reduction to offset the rising costs of minimum wages,
- implementation of cost optimisation and working capital management measures,
- continuing general social unrest and economic uncertainty due to ongoing armed conflicts.

In the coming months, the Group will focus on activities aimed at increasing profitability and developing new sales destinations in order to counteract the negative effects of the recession affecting both the furniture and board markets.

The main risks in H2 of the year will be:

- uncertain economic situation in the EU, in particular recession on the German and French markets, which significantly reduces consumers' willingness to purchase durable goods;
- as regards furniture board production, the FORTE Group and the entire market face high uncertainty regarding the availability and price of raw wood, sourced largely from the State Forests, whose future policy is still uncertain;
- uncertain geopolitical situation affects the continued reduced demand for furniture, the risk of disruptions to supply chains and the high dynamics of exchange rate fluctuations, which will have an impact on the Group's performance in the near future.

SELECTED FINANCIAL DATA

	in thousands of PLN		in thousands of EUR	
	01.04.2024- 30.09.2024 (unaudited)	01.04.2023- 30.09.2023 (unaudited, transformed)	01.04.2024- 30.09.2024 (unaudited)	01.04.2023- 30.09.2023 (unaudited, transformed)
Financial data of Fabryki Mebli FORTE S.A.				
Sales revenue	404 230	439 421	94 167	97 310
Loss on operating activities	-22 312	-41 744	-5 198	-9 244
Loss before tax	-18 229	-45 090	-4 247	-9 985
Loss for the period	-15 542	-49 476	-3 621	-10 956
Total comprehensive income for the period	-20 204	-23 570	-4 707	-5 220
Net cash flows from operating activities	10 954	6 207	2 552	1 375
Net cash flows from investing activities	33 540	-20 719	7 183	-4 588
Net cash flows from financial activities	5 178	-2 877	1 206	-637
Net increase/ (decrease) in cash and cash equivalents	49 747	-17 400	11 589	-3 853
Number of shares	23 930 769	23 930 769	23 930 769	23 930 769
Net profit loss per share (in PLN/EUR)	-0,67	-2,07	-0,16	-0,46
	30.09.2024 (audited)	31.03.2024 (audited)	30.09.2024 (audited)	31.03.2024 (audited)
Total assets	998 525	991 309	233 349	230 489
Total liabilities	582 510	554 544	136 129	128 937
Long-term liabilities	247 740	60 201	57 895	13 997
Short-term liabilities	334 770	494 343	78 234	114 939
Total equity	416 014	436 765	97 220	101 552
Share capital	23 931	23 931	5 593	5 564
Book value per share (in PLN/EUR)	17,38	18,25	4,06	4,24

PROFIT AND LOSS ACCOUNT

	01.04.2024- 30.09.2024 (unaudited)	01.01.2023- 30.09.2023 (unaudited, transformed)	For the 3 months ended 30 September 2024 (unaudited)	For the 3 months ended 30 September 2023 (unaudited, transformed)
Sales revenue	404 230	439 421	194 666	196 622
Cost of sales	289 327	339 410	138 821	150 904
Gross profit from sales	114 903	100 011	52 848	45 718
Other operating revenue	395	733	37	520
Costs of sales	100 558	106 729	48 648	49 591
General administrative costs	34 250	33 283	14 150	15 694
Other operating costs	2 803	2 476	0	1 149
Loss on operating activities	-22 312	-41 744	-6 912	-20 195
Financial revenue	8 335	7 867	5 041	-2 527
Financial costs	16 893	3 631	7 533	3 927
Share in the loss of investments valued at equity method	12 641	15 287	-854	-1 238
Profit/(Loss) before tax	-18 229	-45 090	12 611	-27 887
Income tax	-2 687	4 386	21	7 174
Profit/(Loss) on continued operations of the period	-15 542	-49 476	12 590	-35 061
Profit/(Loss) of the period	-15 542	-49 476	12 590	-35 061
Profit/(Loss) per share for the period (in PLN):				
- basic	-0,65	-2,07	-0,53	-1,47
- diluted	-0,65	-2,07	-0,53	-1,47

STATEMENT OF COMPREHENSIVE INCOME

	01.04.2024- 30.09.2024 (unaudited)	01.01.2023- 30.09.2023 (unaudited)	For the 3 months ended 30 September 2024 (unaudited)	For the 3 months ended 30 September 2023 (unaudited)
Profit/(Loss) of the period	-15 542	-49 476	12 590	-35 061
Other comprehensive income before tax, including:	-5 472	32 023	-1 719	-26 433
Items which in the future may be reclassified to the profit and loss account	-5 472	32 023	-1 719	-26 433
Foreign exchange differences on translation of foreign operations	-1 208	-172	-1 005	-617
Other comprehensive income for a cash flow hedge	-4 263	32 195	-714	-24 816
Deferred tax connected with items of comprehensive income				
Deferred tax connected with items which in the future may be reclassified to the profit and loss account	-810	6 117	-136	-4 905
Deferred tax regarding hedge accounting	-810	6 117	-136	-4 905
Other net comprehensive income	-4 662	25 906	-1 584	-21 528
Total comprehensive income for the period	-20 204	-23 570	11 006	-56 589

STATEMENT OF FINANCIAL SITUATION (BALANCE SHEET)

	30 September 2024 (unaudited)	31 March 2024 (audited)
Non-current assets	542 902	583 406
Tangible fixed assets	275 936	286 921
Intangible assets	15 720	15 783
Investment in subsidiaries	207 133	207 133
Other long-term financial assets	13 694	12 169
Investments valued at equity method	12 834	0
Financial derivative instruments receivables	17 584	61 400
Current assets	455 622	407 904
Current assets other than those held for sale	455 622	407 904
Inventory	138 723	131 581
Trade and other receivables	145 473	149 982
Derivative financial instruments receivables	102 610	63 059
Income tax receivables	0	10 016
Other short-term assets	0	34 198
Cash and cash equivalents	68 815	19 069
TOTAL ASSETS	998 525	991 309
Equity	416 562	436 765
Share capital	23 931	23 931
Surplus of share sale above their nominal value	114 556	114 556
Other reserve capitals	118 442	123 104
Retained earnings	159 633	175 175
Long-term liabilities	247 193	60 201
Deferred tax liability	16 079	19 576
Provision for benefits after the employment period	3 755	3 755
Interest-bearing loans and borrowings	193 131	0
Subsidies	1 379	1 413
Financial liabilities due to lease	32 849	33 074
Other financial liabilities	0	2 383
Short-term liabilities	334 770	494 343
Trade and other liabilities	289 275	277 562
Contract liabilities	949	843
Subsidies	310	320
Current portion of interest-bearing loans and borrowings	39 879	211 282
Financial liabilities due to lease	1 877	1 782
Provision for benefits after the employment period	538	538
Other provisions	1 941	2 016
Total liabilities	581 963	554 544
TOTAL LIABILITIES	998 525	991 309

CASH FLOW STATEMENT

	01.04.2024- 30.09.2024 (unaudited)	01.04.2023- 30.09.2023 (transformed, unaudited)
Cash flow from operating activity		
Loss of the period	-15 542	-49 476
Adjustments by:	16 624	41 887
Share in the loss of investments valued at equity method	-12 641	854
Amortisation	12 429	12 045
Foreign exchange (profit)/loss	-1 544	-964
Interest income	-632	-951
Interest costs	7 030	7 285
Dividends	-5 240	-3 617
(Profit)/ Loss on investing activity	492	103
Change in receivables	4 515	33 900
Change in inventories	-7 142	-4 141
Change in liabilities, excluding loans and borrowings	12 268	-7 124
Change in provisions	-85	-141
Current tax recognised in profit or loss account	-2 687	4 386
Other	9 862	252
Operating cash flow	1 082	-7 589
Income tax paid	10 016	13 796
Net operating cash flow	11 098	6 207
Cash flows from investment activities		
Sale of tangible fixed assets	684	216
Purchases of tangible fixed assets	-2 271	-23 815
Purchase of shares in related parties	0	-20
Purchase of shares in unrelated parties	0	-698
Purchase of shares of company valued at equity method	-3 490	0
Real estate investments	0	-50
Sell of shares of company valued at equity method	2	0
Dividends received	5 240	3 617
Interest received	2 865	30
Repayment of borrowings granted to related entities	30 366	0
Net investment cash flow	33 397	-20 719
Cash flows from financing activities		
Inflow from loans and borrowings taken out	31 912	5 580
Repayment of loans and borrowings	-8 390	0
Repayment of leasing liabilities	-905	-926
Interest paid	-7 665	-7 531
Other financial outflows	-9 775	0
Net financial cash flow	5 178	-2 877
Increase/ (decrease) in cash and cash equivalents before exchange differences	49 672	-17 389
Net foreign exchange differences	74	-12
Net increase/ (decrease) in cash and cash equivalents	49 747	-17 400
Opening balance of cash	19 069	25 157
Cash at end of year, including:	68 815	7 756
- of limited disposability	86	18

STATEMENT OF CHANGES IN EQUITY

for the 6 months ended 30 September 2024 (unaudited)

	Share capital	Share premium	Retained earnings	Other reserve capital	Total equity
Status at the beginning of the period before corrections	23 931	114 556	175 175	123 104	436 765
Status at the beginning of the period after corrections	23 931	114 556	175 175	123 104	436 765
<i>Current result</i>	0	0	-15 542	0	-15 542
<i>Other comprehensive income for the period</i>	0	0	0	-4 662	-4 662
Comprehensive income for the period	0	0	-15 542	-4 662	-20 203
Change in equity	0	0	-15 542	-4 662	-20 203
Status at the end of the period	23 931	114 556	159 633	118 442	416 562

STATEMENT OF CHANGES IN EQUITY

for the year ended on 31 March 2024 (audited)

	Share capital	Share premium	Retained earnings	Other reserve capital	Total equity
Status at the beginning of the period before corrections	23 931	114 556	277 989	14 547	431 022
Merge with Forte Brand	0	0	-49 413	19 800	-29 613
Status at the beginning of the period after corrections	23 931	114 556	228 576	34 347	401 409
<i>Current result</i>	0	0	-53 401	0	-53 401
<i>Other comprehensive income for the period</i>	0	0	0	88 757	88 757
Comprehensive income for the period	0	0	-53 401	88 757	35 356
Change in equity	0	0	-53 401	88 757	35 356
Status at the end of the period	23 931	114 556	175 175	123 104	436 765

Signature of the person entrusted with bookkeeping:

**Chief Accounting
Anna Wilczyńska**

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Signatures of all members of the Management Board:

**President of the Management Board
Maria Małgorzata Florczuk**

.....

**Member of the Management Board
Mariusz Jacek Gazda**

.....

**Member of the Management Board
Walter Stevens**

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Ostrów Mazowiecka, 6 December, 2024