

CURRENT REPORT No. 1/2025

Subject: inside information – preliminary information on the Issuer's financial results

The Management Board of FABRYKI MEBLI "FORTE" S.A. based in Ostrów Mazowiecka (the Issuer, the Company) hereby provides preliminary information on the financial results of the FABRYKI MEBLI "FORTE" S.A. Group (the Group) in Q3 of the financial year from 1 October 2024 to 31 December 2024.

According to preliminary calculations, the Group's consolidated sales revenue for the 9-month period, i.e. from 1 April 2024 to 31 December 2024, amounted to approx. PLN 772 million (including PLN 110 million in respect of surplus furniture board manufactured at the Group's own board factory, i.e. TANNE Sp. z o.o. sold outside the Group) vs PLN 758 million in the corresponding period of 2023_2024 (including PLN 81 million from sales of board outside the Group), i.e. it was 2% higher than in the corresponding period of 2023.

According to preliminary calculations, the Group's consolidated sales revenue in Q3 2024_25, i.e. from 1 October 2024 to 31 December 2024, amounted to approx. PLN 293 million (including PLN 37 million in respect of surplus furniture board manufactured at the Group's own board factory, i.e. TANNE Sp. z o.o. sold outside the Group) vs PLN 282 million in the corresponding period of 2023_24 (including PLN 41 million from sales of board outside the Group), i.e. it was 4% higher than in the corresponding period of the previous financial year.

The Group's estimated consolidated EBIT for the 9-month period of financial year 2024_25 was PLN 36 million, compared to PLN (-)4 million in the corresponding period of 2023_24.

The Group's estimated consolidated EBIT for Q3 2024_25 was PLN 22 million, compared to PLN 8 million in Q3 of the previous year (an increase by 175%).

The Group's estimated consolidated EBITDA for the 9-month period of the current financial year was PLN 77 million, compared to PLN 37 million in the comparative period of 2023_24 (an increase by 108%), while in Q3 of 2024_25 alone, EBITDA reached PLN 35 million vs PLN 22 million in Q3 of 2023_24 (an increase by 59%).

The current financial results reflect the still difficult situation of the furniture industry, with the already visible effect of cost optimisations implemented by the FORTE Group in previous quarters, as well as the positive effect of FORTE's hedging strategy. This strategy significantly affected the Group's results, which, with the share of sales outside Poland of approx. 85%, would have been significantly reduced as a result of the strengthening EUR/PLN exchange rate – the average exchange rate for the nine months of the financial year was 4.3 vs 4.49 in the previous period (a decrease by 4.3%).

The positive effect of the above-mentioned hedging strategy for the Company's currency exposure risk, compared to the figures published on 6 December 2024 in the interim report for H1 2024_2025, increased by PLN 22.5 million in Q3 2024_25 and amounted to PLN 42.7 million for the 9-month period of the current financial year. This effect relates to both the amount of realised sales revenue and EBIT of the completed reporting period.

EBIT in the completed reporting quarter was negatively impacted by a PLN 4.4 million charge to other operating costs for unused capacity at TANNE due to a more than two-week shutdown at the raw plate production department caused by damage to the main boiler room.

The Issuer's Management Board informs that as of 31 December 2024, the financial debt to EBITDA ratio was 2.6. This ratio is within the range agreed upon with the financing banks in the Joint Terms Agreement concluded on 24 July 2024.

The Issuer's Management Board informs that the above financial results are estimates only and may differ from the final figures that will be presented in the report for Q3 of financial year 2024_25.

Legal basis: Article 17 (1) of the Market Abuse Regulation (MAR)