

CURRENT REPORT No. 2/2025

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 the financial year covering the period from 1 April 2024 to 31 March 2025 (financial year 2024/25).

According to preliminary calculations, the Group's consolidated sales revenue for the 12-month period of financial year 2024/25 amounted to PLN 1,101 million (including PLN 156 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 1,031 million in the corresponding period of 2023/24 (including PLN 115 million from sales of board outside the Group), i.e. it was 7% higher than in the corresponding period of 2023/24.

According to preliminary calculations, the Group's consolidated sales revenue in Q4 of financial year 2024/25 amounted to PLN 329 million (including PLN 45 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 273 million in the corresponding period of 2023/24 (including PLN 34 million from sales of board outside the Group), i.e. it was 21% higher than in the corresponding period of 2023/24.

The Group's estimated consolidated EBIT for the 12-month period of financial year 2024/25 was PLN 71 million, compared to PLN (-) 2 million in the corresponding period of 2023/24.

The Group's estimated consolidated EBIT for Q4 of financial year 2024/25 was PLN 36 million, compared to PLN 1 million in the corresponding period of 2023/24.

The Group's estimated consolidated EBITDA for the 12-month period of financial year 2024/25 was PLN 127 million, compared to PLN 53 million in the comparative period of 2023/24 (an increase by 140%).

The Group's estimated consolidated EBITDA for Q4 of financial year 2024/25 was PLN 50 million, compared to PLN 16 million in the comparative period of 2023/24 (an increase by 213%).

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 of the financial year, 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. 80%, would have been significantly reduced as a result of the strengthening EUR/PLN exchange rate – the average exchange rate for the 12 months of financial year 2024/25 was 4.27 vs 4.54 in the previous financial year (a decrease by 5.9%).

The positive impact of the above hedging strategy on EBIT and on the Company's sales revenue amounted to PLN 33.1 million in Q4 of financial year 2024/25, and PLN 75.9 million in the entire financial year.

Additionally, in the completed reporting quarter, TANNE sp. z o.o. generated additional revenue from the sale of CO2 emission allowances allocated for 2023 in the amount of PLN 9.3 million.

The Issuer's Management Board informs that as of 31 March 2025, the financial debt to EBITDA ratio was 1.6. 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 financial year 2024/25.

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