



FABRYKI MEBLI „FORTE” S.A. CAPITAL GROUP

# EXTRACT OF CONSOLIDATED FINANCIAL REPORT

**For the period  
from 01.04.2024 to 31.03.2025**

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Ostrów Mazowiecka, 30 June 2025  
[www.FORTE.com.pl](http://www.FORTE.com.pl)



**TABLE OF CONTENTS**

Consolidated selected financial data.....	3
Consolidated Profit and Loss account.....	4
Consolidated statement of comprehensive income .....	5
Consolidated statement of financial situation (balance sheet) .....	6
Consolidated cash flow statement.....	7
Consolidated statement of changes in equity .....	8
Consolidated statement of changes in equity .....	8
Seasonality of operations.....	9
Revenues and costs.....	9
Sales revenues .....	9
Other operating revenues .....	9
Other operating cost .....	10
Financial revenues .....	10
Financial costs .....	10
Costs by type .....	11
Commentary to the Group results and basic economic-financial amounts.....	12
Selected financial data of FABRYKI MEBLI „FORTE" S.A.....	16
Profit and Loss account.....	17
Statement of comprehensive income .....	18
Statement of financial situation (balance sheet) .....	19
Cash flow statement .....	20
Statement of changes in equity .....	21
Statement of changes in equity .....	21
Financial figures of FABRYKI MEBLI „FORTE" S.A.....	22

## CONSOLIDATED SELECTED FINANCIAL DATA

Consolidated financial data	in thousands of PLN		in thousands of EUR	
	01.04.2024- 31.03.2025 (audited)	01.04.2023- 31.03.2024 (audited)	01.04.2024- 31.03.2025 (audited)	01.04.2023- 31.03.2024 (audited)
Sales revenue	1 101 412	1 030 669	257 936	232 473
Profit (loss) on operating activities	71 488	- 2 467	16 742	- 556
Profit (loss) before tax	61 695	- 14 648	14 448	- 3 004
Net (profit) loss attributable to equity owners of the Parent company	50 190	-60 608	11 754	- 13 670
Total comprehensive income for the period	19 928	27 778	4 667	6 265
Net cash flow from operating activities	109 218	101 852	25 577	22 973
Net cash flow from investment activities	5 707	-36 858	1 337	-8 314
Net cash flow from financial activities	-31 101	-63 155	-7 283	-14 245
Net (increase) decrease in cash and cash equivalents	83 580	1 578	19 573	356
Number of shares	23 930 769	23 930 769	23 930 769	23 930 769
Net profit per share attributable to equity owners of the Parent Company (in PLN/EUR)	2,10	- 2,53	0,49	- 0,57
	31.03.2025 (audited)	31.03.2024 (audited)	31.03.2025 (audited)	31.03.2024 (audited)
Total assets	1 480 510	1 449 755	353 859	337 082
Total liabilities	550 810	539 980	131 650	125 550
Long-term liabilities	305 500	71 215	73 018	16 558
Short-term liabilities	245 310	468 765	58 632	108 992
Total equity attributable to equity owners of the Parent company	927 955	907 829	221 792	211 079
Share capital	23 931	23 931	5 720	5 564
Book value per share (in PLN/EUR)	38,78	37,94	9,27	8,82

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

	01.04.2024- 31.03.2025 (audited)	01.04.2023- 31.03.2024 (audited)
Sales revenue	1 101 412	1 030 669
Cost of sales	715 665	720 965
<b>Gross profit from sales</b>	<b>385 747</b>	<b>309 704</b>
Other operating revenue	20 628	17 394
Costs of sales	230 851	230 292
General administrative costs	83 244	86 452
Other operating costs	20 792	12 821
<b>Profit/ (loss) on operating activities</b>	<b>71 488</b>	<b>-2 467</b>
Financial revenue	7 228	12 051
Financial costs	31 216	23 670
Loss on derivative financial instruments	369	1 384
Share in the loss of investments valued at equity method	13 826	-1 946
<b>Profit / (loss) before tax</b>	<b>61 695</b>	<b>-14 648</b>
Income tax	11 704	46 131
<b>Profit / (loss) on continued operations of the period</b>	<b>49 991</b>	<b>-60 779</b>
<b>Profit/ (loss) of the period</b>	<b>49 991</b>	<b>-60 779</b>

## Attributable to:

Non-controlling shareholders	-199	-171
Shareholders of the Parent Company	50 190	-60 608
<b>Profit/ (loss) on continued operations of the period in PLN:</b>		
- basic	2,10	-2,54
- diluted	2,10	-2,54

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	01.04.2024- 31.03.2025 (audited)	01.04.2023- 31.03.2024 (audited)
<b>Profit/ (loss) of the period</b>	<b>49 991</b>	<b>-60 779</b>
<b>Other comprehensive income before tax, including:</b>	<b>-36 790</b>	<b>109 123</b>
<b>Items which in the future will not be reclassified to the profit and loss account</b>	<b>-735</b>	<b>-591</b>
Revaluation of employee benefit obligations	-735	-591
<b>Items which in the future may be reclassified to the profit and loss account</b>	<b>-36 055</b>	<b>109 714</b>
Foreign exchange differences on translation of foreign operations	-1 674	-384
Hedge accounting	-34 381	110 098
<b>Deferred tax connected with items of comprehensive income</b>		
<b>Deferred tax connected with items which in the future will not be reclassified to the profit and loss account</b>	<b>-125</b>	<b>-106</b>
Deferred tax regarding employee benefits	-125	-106
<b>Deferred tax connected with items which in the future may be reclassified to the profit and loss account</b>	<b>-6 602</b>	<b>20 672</b>
Deferred tax regarding hedge accounting	-6 602	20 672
<b>Other net comprehensive income</b>	<b>-30 063</b>	<b>88 557</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>19 928</b>	<b>27 778</b>
<b>Attributable to:</b>		
Non-controlling shareholders	-199	-171
Shareholders of the Parent Company	20 127	27 949

## CONSOLIDATED STATEMENT OF FINANCIAL SITUATION (BALANCE SHEET)

	31 March 2025 (audited)	31 March 2024 (audited)
<b>ASSETS</b>		
<b>Non-current assets</b>	<b>871 104</b>	<b>985 965</b>
Tangible fixed assets	763 952	806 109
Intangible assets	22 299	29 271
Investment in subsidiaries	551	550
Investments valued at equity method	13 966	11 373
Other long-term financial assets	10 094	10 308
Real estate investment	51 522	54 313
Assets on deferred tax	8 720	12 641
Financial derivative instruments receivables	0	61 400
<b>Current assets</b>	<b>609 406</b>	<b>463 790</b>
<b>Current assets other then held for sale</b>	<b>609 406</b>	<b>463 790</b>
Inventory	203 603	190 648
Trade and other receivables	200 460	168 350
Receivables due to financial derivative instruments	89 711	63 059
Income tax receivables	899	10 623
Financial assets	233	190
Cash and cash equivalents	114 500	30 920
<b>TOTAL ASSETS</b>	<b>1 480 510</b>	<b>1 449 755</b>
<b>LIABILITIES</b>		
<b>Total equity</b>	<b>929 700</b>	<b>909 775</b>
<b>Equity (attributable to shareholders of the Parent Company), including:</b>	<b>927 955</b>	<b>907 829</b>
Basic equity	23 931	23 931
Surplus of share sale above their nominal value	114 556	114 556
Other reserve capital	91 393	121 457
Retained earnings	698 075	647 885
<b>Capital attributable to non-controlling shareholders</b>	<b>1 745</b>	<b>1 946</b>
<b>Long-term liabilities</b>	<b>305 500</b>	<b>71 215</b>
Provision for benefits after the employment period	4 976	4 226
Interest-bearing loans and borrowings	255 755	3 925
Trade and other long-term liabilities	582	623
Accruals	9 649	14 917
Financial liabilities due to lease	34 538	33 769
Other long-term financial liabilities	0	13 755
<b>Short-term liabilities</b>	<b>245 310</b>	<b>468 765</b>
Trade and other liabilities	176 008	141 599
Contract liabilities	1 321	843
Accruals	301	320
Income tax liabilities	8	4
Current portion of interest-bearing loans and borrowings	62 225	321 074
Financial liabilities due to lease	2 867	1 964
Liabilities due to financial derivative instruments	0	366
Provision for benefits after the employment period	764	579
Other provisions	1 816	2 016
<b>Total liabilities</b>	<b>550 810</b>	<b>539 980</b>
<b>TOTAL LIABILITIES</b>	<b>1 480 510</b>	<b>1 449 755</b>

## CONSOLIDATED CASH FLOW STATEMENT

	01.04.2024- 31.03.2025 (audited)	01.04.2023- 31.03.2024 (audited)
<b>Cash flows from operating activities</b>		
Profit/ (loss) of the period	49 991	-60 779
Adjustments by:	50 740	156 914
Share of loss of associates and joint ventures accounted for using equity method	-13 826	1 946
Depreciation	55 826	55 254
Foreign exchange losses	-9 082	- 18 523
Interest income	-1 358	-105
Interest costs	19 853	22 841
Dividends	-243	-104
(Profit)/ loss on investing activity	-16 413	-12 165
Tax in the income statement	11 704	46 131
Change in receivables	-32 108	23 314
Change in inventories	-12 640	60 070
Change in liabilities, excluding loans and borrowings	34 692	- 22 365
Change in provisions	185	1 253
Change in fair value	2 794	- 1 035
Other adjustments	11 356	402
<b>Cash flows from operating activities</b>	<b>100 731</b>	<b>96 135</b>
Income tax paid	8 487	5 717
<b>Net cash flows from operating activities</b>	<b>109 218</b>	<b>101 852</b>
<b>Cash flows from investment activities</b>		
Sale of tangible assets	1 116	632
Sale of intangible assets	16 813	12 042
Purchase of intangible assets	0	- 223
Purchase of tangible fixed assets	-10 145	- 47 965
Real property investments	-3	- 50
Sale of shares in investments valued at equity method	2	0
Purchase of other debt and equity instruments	0	- 698
Purchase of shares in investments valued at equity method	-3 490	0
Dividends received	243	104
Interest income	1 274	31
Borrowings granted related entities	-103	- 731
<b>Net cash flows from investing activities</b>	<b>5 707</b>	<b>- 36 858</b>
<b>Cash flows from financing activities</b>		
Inflows from loans and borrowings taken out	42 871	18 644
Repayment of loans and borrowings	-41 162	- 56 191
Repayment of leasing liabilities	-2 329	- 2 220
Payment of dividends	-2	0
Interest paid	-20 490	- 23 388
Other outflows	-9 989	0
<b>Net cash flows from financial activities</b>	<b>-31 101</b>	<b>- 63 155</b>
<b>Net increase/ (decrease) in cash and cash equivalents before exchange differences</b>	<b>83 824</b>	<b>1 839</b>
Net foreign exchange differences (from the opening balance translation)	-244	- 261
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>83 580</b>	<b>1 578</b>
Opening balance of cash	30 920	29 342
Closing balance of cash, including: of limited disposability	114 500	30 920
	1 801	110

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period ended 31 March 2025 (audited)

	Share capital	Share premium	Retained earnings	Other reserve capital	Total capital attributed to controlling shareholders	Total capital of non-controlling shareholders	Total equity
<b>Status at the beginning of the period</b>	<b>23 931</b>	<b>114 556</b>	<b>647 885</b>	<b>121 457</b>	<b>907 829</b>	<b>1 946</b>	<b>909 775</b>
Payment of dividend	0	0	0	0	0	-2	-2
Other changes	0	0	0	-1	-1	0	-1
<i>Current result</i>	0	0	50 190	0	50 190	-199	49 991
Other comprehensive income for the period	0	0	0	-30 063	-30 063	0	-30 063
<b>Comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>50 190</b>	<b>-30 063</b>	<b>20 127</b>	<b>-199</b>	<b>19 928</b>
<b>Change in equity</b>	<b>0</b>	<b>0</b>	<b>50 190</b>	<b>-30 064</b>	<b>20 126</b>	<b>-201</b>	<b>19 925</b>
<b>Status at the end of the period</b>	<b>23 931</b>	<b>114 556</b>	<b>698 075</b>	<b>91 393</b>	<b>927 955</b>	<b>1 745</b>	<b>929 700</b>

## 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
<b>Status at the beginning of the period</b>	<b>23 931</b>	<b>114 556</b>	<b>708 490</b>	<b>32 900</b>	<b>879 877</b>	<b>2 121</b>	<b>881 998</b>
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
Other comprehensive income for the period	0	0	0	88 557	88 557	0	88 557
<b>Comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>-60 608</b>	<b>88 557</b>	<b>27 949</b>	<b>-171</b>	<b>27 778</b>
<b>Change in equity</b>	<b>0</b>	<b>0</b>	<b>-60 605</b>	<b>88 557</b>	<b>27 952</b>	<b>-175</b>	<b>27 777</b>
<b>Status at the end of the period</b>	<b>23 931</b>	<b>114 556</b>	<b>647 885</b>	<b>121 457</b>	<b>907 829</b>	<b>1 946</b>	<b>909 775</b>

**Seasonality of operations**

	Domestic revenues	Share % in total quarter revenues	Export revenues	Share % in total quarter revenues	Revenues from sales of products, materials, goods and services	Share % in annual revenues
I Q 2024 (04-06.2024)	53 749	21%	197 057	79%	250 806	23%
I Q 2024 (07-09.2024)	58 761	26%	169 335	74%	228 096	21%
I Q 2024 (10-12.2024)	78 358	27%	215 194	73%	293 552	27%
I Q 2024 (01-03.2025)	85 637	26%	243 321	74%	328 958	30%
<b>12 months of 2024/25</b>	<b>276 505</b>	<b>25%</b>	<b>824 907</b>	<b>75%</b>	<b>1 101 412</b>	<b>100%</b>
I Q 2023 (04-06.2023)	48 546	18%	215 125	82%	263 671	26%
II Q 2023 (07-09.2023)	46 206	22%	165 789	78%	211 995	21%
III Q 2023 (10-12.2023)	56 778	20%	225 189	80%	281 967	27%
IV Q 2023 (01-03.2024)	57 760	21%	215 277	80%	273 036	26%
<b>12 months of 2023/24</b>	<b>209 290</b>	<b>20%</b>	<b>821 380</b>	<b>80%</b>	<b>1 030 669</b>	<b>100%</b>

**Revenues and costs****Sales revenues**

Sales revenues	For the reporting period ended		
	01.04.2023- 31.03.2024		01.04.2023- 31.03.2024
	(audited)	(unaudited)	
<b>Revenues from sales of goods, products and materials</b>	<b>1 083 345</b>	<b>1 017 229</b>	
- products, including	910 872	889 861	
results on the hedge accounting	75 896	11 133	
- goods	9 604	7 495	
- materials	162 869	119 872	
<b>Revenues from sales of services</b>	<b>18 067</b>	<b>13 440</b>	
<b>Total net revenues from sales</b>	<b>1 101 412</b>	<b>1 030 669</b>	
Including related parties	13 709	11 757	

**Other operating revenues**

Other operating revenues	For the reporting period ended		
	01.04.2024- 31.03.2025		01.04.2023- 31.03.2024
	(audited)	(audited)	
Reversal of impairment write-downs receivables	1	81	
Reversal of impairment write-downs others	452	505	
Gain on sale of property, plant and equipment	66	453	
Gain on the sale of intangible assets	16 813	12 042	
Revaluation of investment properties	0	530	
Subsidies	657	2 512	
Donations and compensations	1 684	522	
Other	955	748	
<b>Total other operating revenues</b>	<b>20 628</b>	<b>17 394</b>	

**Other operating cost**

<b>Other operating costs</b>	<b>For the reporting period ended</b>		
	<b>01.04.2024-</b>	<b>01.04.2023-</b>	
	<b>31.03.2025</b>	<b>31.03.2024</b>	
			(audited)
Creation of revaluation write-downs inventories	901	119	
Creation of revaluation write-downs receivables	249	432	
Liquidation and impairment losses on property, plant and equipment	54	331	
Scraping of inventory	1 686	2 461	
Donations	190	351	
Penalties and compensations	3 724	470	
Loss on disposal of property, plant and equipment	171	0	
Employee benefits costs	240	160	
Inventory shortages	8	131	
Damages removing costs	1 298	607	
Revaluation of investment properties	2 794	0	
Unused production capacity	8 021	7 287	
Other	1 455	471	
<b>Other operating costs, total</b>	<b>20 792</b>	<b>12 821</b>	

**Financial revenues**

<b>Financial revenue</b>	<b>For the reporting period ended</b>		
	<b>01.04.2024-</b>	<b>01.04.2023-</b>	
	<b>31.03.2025</b>	<b>31.03.2024</b>	
			(audited)
Gain on sale of shares in investments valued at equity method	2	0	
Dividends	243	104	
Interest	1 339	53	
Net foreign exchange differences	5 642	11 887	
Other	2	6	
<b>Financial revenues, total</b>	<b>7 228</b>	<b>12 051</b>	

**Financial costs**

<b>Financial costs</b>	<b>For the reporting period ended</b>		
	<b>01.04.2024-</b>	<b>01.04.2023-</b>	
	<b>31.03.2025</b>	<b>31.03.2024</b>	
			(audited)
Interest on loans, credits	18 116	21 177	
Interest on leasing	1 732	1 656	
Budget interest	2	10	
Credit valuation at amortised cost	1 508	266	
Other	9 858	562	
<b>Financial costs, total</b>	<b>31 216</b>	<b>23 670</b>	

**Costs by type**

<b>Costs by type</b>	<b>For the reporting period ended</b>		
	<b>01.04.2024- 31.03.2025</b>	<b>01.04.2023- 31.03.2024</b>	
	<b>(audited)</b>	<b>(audited)</b>	
Depreciation	55 826	55 254	
Consumption of materials and energy	355 063	387 285	
External services	191 185	184 719	
Taxes and fees	17 715	17 211	
Payroll	201 948	187 602	
Social insurance and other benefits	49 453	46 645	
Other costs by type	14 503	15 074	
<b>Costs by type</b>	<b>885 694</b>	<b>893 791</b>	
Change in product inventory and accruals	-1 981	-35 837	
Manufacturing cost of products for internal purposes	3 945	2 162	
Scraping of products and semi-finished products	1 061	1 716	
Unused production capacity	8 021	7 287	
Costs of sales	230 851	230 292	
General administrative costs	83 244	86 452	
<b>Manufacturing cost of sold products and services</b>	<b>560 553</b>	<b>601 720</b>	
<b>Value of goods and materials sold</b>	<b>155 111</b>	<b>119 245</b>	
<b>Costs of sales</b>	<b>715 665</b>	<b>720 965</b>	

**Commentary to the Group results and basic economic-financial amounts**

Group performance and key economic and financial data:

Item	01.04.2024- 31.03.2025 (audited)	01.04.2023- 31.03.2024 (audited)	% change
Sales revenue	1 101 412	1 030 669	6,9%
Cost of sales	-715 665	-720 965	-0,7%
Gross profit on sales	385 747	309 704	24,6%
Gross margin on sales %	35,0%	30,0%	
Selling costs	-230 851	-230 292	0,2%
G&A costs	-83 244	-86 452	-3,7%
Operating profit (EBIT)	71 488	-2 467	2 997,8%
EBITDA	127 314	52 787	141,2%
Share in profit/loss of subsidiaries valued under the equity method	13 826	-1 946	810,5%
Gross profit	61 695	-14 648	521,2%
Net profit	49 991	-60 779	182,3%
Return on sales (ROS)	4,5%	-5,9%	
Return on equity (ROE) net profit / equity	5,4%	-6,7%	
Return on assets (ROA) net profit/ total assets	3,4%	-4,2%	

From April 2024 to March 2025, the FORTE Group earned **sales revenue** of PLN 1 101 412 thousand, compared to PLN 1 030 669 thousand in the 12-month comparative period (an increase by 6.9%).

In the Group's total sales structure, sales of surplus board produced by the subsidiary TANNE amounted to PLN 157 267 thousand, with a share of exports of PLN 98 645 thousand and a share of domestic sales of PLN 58 622 thousand.

In terms of volume, chipboard sales from April 2024 to March 2025 were higher than in the comparative period by approx. 56% (218.7 thousand m<sup>3</sup> in the reporting period vs. 140.1 thousand m<sup>3</sup> in the comparative period).

The intention of the FORTE Group is to use the board manufactured by TANNE for internal purposes but due to the downturn in the furniture industry and the related decline in demand for furniture, the Management Board has decided to continue offering raw board to external customers. This is mainly to optimise the utilisation of the board factory's production capacity and to cover fixed costs that the company incurs regardless of the volume of generated sales.

**Furniture and other sales of the Group** accounted for 85.7% of total sales (PLN 944 145 thousand), with export sales of PLN 726 262 thousand (65.9%) and domestic sales of PLN 217 883 thousand (19.8%).

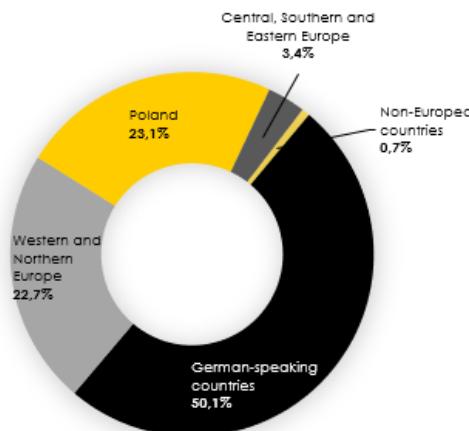
**Percentage of furniture and other sales** in individual markets was as follows: German-speaking countries 50%, Western and Northern Europe 23%, Poland 23%, Central, Southern and Eastern Europe 3% and Non-European countries 1%.



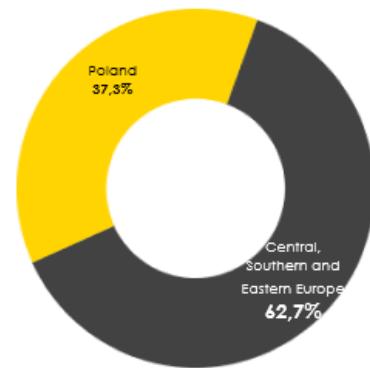
**Percentage of chipboard sales** in individual markets was as follows: Poland 63%, Central, Southern and Eastern Europe 37%.

Export sales of the FORTE Group totalled PLN 824 906 thousand – 75 % of total sales (in the comparative period – PLN 821 380 thousand – 80 %). Sales in the Polish market from April 2024 to March 2025 amounted to PLN 276 506 thousand (25%) against PLN 209 290 thousand (20%) in the corresponding period from April 2023 to March 2024.

**Furniture and other sales**



**Chipboard sales**



**Selling costs** – the selling costs to revenue ratio was 21%, compared to 22.3% in the corresponding period last year. In terms of value, selling costs slightly increased by PLN 559 thousand.

**G&A costs** – the G&A costs to revenue ratio was 7.6 % vs. 8.4% in the comparative period. In the reporting period, the G&A costs were mostly affected by provisions created for non-compete compensation of PLN 5 073 thousand and a special bonus paid to the former CEO of the Parent Company, Mr Maciej Formanowicz.

In accordance with Resolution No. 29/2023 of the Supervisory Board of 9 August 2023, the special bonus was awarded to Mr Maciej Formanowicz for his contribution to the establishment and development of FORTE, his many years of management of the Company and the FORTE Group, and for setting directions for the development of the Company and the FORTE Group. Additionally, in the reporting period, a provision of PLN 1 890 thousand was created for bonuses due to Members of the Management Board. Despite the above-mentioned expenses recognised in G&A costs, the optimisation measures implemented by the Group allowed for a reduction in G&A costs throughout the reporting period in relation to the comparative period.

**Operating profit** amounted to PLN 71 488 thousand, compared to the loss of PLN – 2 467 thousand in the corresponding period. In the reporting period, EBIT was positively influenced by the result achieved on hedging transactions securing the Group's exchange rate risk (PLN 75 896 thousand vs. PLN 11 133 thousand in the comparative period). This strategy significantly improved the Group's results, which, with a majority share of exports in the Group's total sales, would have been significantly lower due to the strengthening EUR/PLN exchange rate – the average exchange rate for the 12 months of the financial year 2024/2025 was 4.27 vs. 4.54 in the previous period (a decrease by 5.9%). Additionally, the Group's results also show benefits of the optimisation and cost-saving programmes implemented by the Management Board starting in the second half of the previous financial year.

**Result on financial operations** amounted to PLN (-) 23 988 thousand.

This negative result was mostly affected by interest on loans and borrowings totalling PLN (-) 18 116 thousand and the cost of using the SBLC letter of credit in the equivalent amount of PLN 9 775 thousand in favour of Deutsche Bank due to the breach of the terms of the loan agreement by the Indian jointly-owned subsidiary.

The result on financial operations in the ended reporting period was positively influenced by exchange rate gains on valuation of foreign currency assets and liabilities, which totalled PLN 5 642 thousand on the financial income side.

**Net profit** in the reporting period amounted to PLN 49 991 thousand against a loss of PLN - 60 779 thousand in the same period of 2023 (an increase by 182.3%).

The most significant burden on the Group's net result was deferred tax of PLN (-) 10 464 thousand in the completed reporting period vs. PLN (-) 45 491 thousand. The largest impact on the tax burden in the reporting period was the current use of the deferred tax asset of PLN 13 427 000 by zone companies.

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

Liquidity and efficiency analysis	31.03.2025 (audited)	31.03.2024 (audited)
Current ratio (current assets/current liabilities)	2,5	1,0
Quick ratio (current assets – inventories/current liabilities)	1,7	0,6
Receivable turnover in days (average trade receivables*365/sales revenue)	47,4	46,7
Inventory turnover in days (average inventories*365/cost of sales)	100,5	111,6
Liability turnover in days (average trade liabilities*365/cost of sales)	39,3	37,0
Current asset turnover in days (average current assets*365/sales revenue)	177,8	168,9

Characteristics of balance sheet items	31.03.2025 (audited)		31.03.2024 (audited)		% change
	PLN '000	% of balance sheet total	PLN '000	% of balance sheet total	
Non-current assets	871 104	59%	985 965	68%	-12%
Current assets	609 406	41%	463 790	32%	31%
<b>Total assets</b>	<b>1 480 510</b>	<b>100%</b>	<b>1 449 755</b>	<b>100%</b>	<b>2%</b>
Equity	929 700	63%	909 775	63%	2%
Non-current liabilities and provisions	305 500	21%	71 215	4%	329%
Current liabilities and provisions	245 310	16%	468 765	33%	-48%
<b>Total equity and liabilities</b>	<b>1 480 510</b>	<b>100%</b>	<b>1 449 755</b>	<b>100%</b>	<b>2%</b>

**Non-current assets** decreased by PLN 114 861 thousand, mainly as a result of a decrease in non-current receivables from derivative financial instruments (by PLN 61 400 thousand) due to the inability to enter into new hedging transactions due to the temporary freezing of bank limits, a decrease in tangible fixed assets (by PLN 42 157 thousand) caused by the excess of depreciation over capital expenditure incurred, and a decrease in the deferred tax asset in zone companies due to its current use in the total amount of PLN 13 427 thousand.

In **current assets**, the most significant increase was recorded in cash and cash equivalents (PLN 83 580 thousand). This increase in cash was related, among other things, to the conversion of the FORTE Group's working capital loans into term loans. There was also an increase in trade and other receivables (PLN 32 110 thousand) and receivables from financial instruments due to an increase in their positive bank valuation (by PLN 26 652 thousand).

On the **liabilities** side, the most significant changes involved the reclassification of current loan liabilities to non-current liabilities (PLN 251 830 thousand) as a result of the Common Terms Agreements concluded in July 2024 by the FORTE Group with all financing banks, with a scheduled repayment of loans until the end of March 2027.

## SELECTED FINANCIAL DATA OF FABRYKI MEBLI „FORTE” S.A.

Financial data of Fabryki Mebli FORTE S.A.	in thousands of PLN		in thousands of EUR	
	01.04.2024- 31.03.2025 (audited)	01.04.2023- 31.03.2024 (audited)	01.04.2023- 31.03.2024 (audited)	01.04.2024- 31.03.2025 (audited)
Sales revenue	944 223	920 401	221 124	207 601
Profit (loss) on operating activities	9 801	-62 262	2 295	-14 044
Profit (loss) before tax	15 327	-60 885	3 589	-13 733
Profit (loss) for the period	17 967	-53 401	4 208	-12 045
Total comprehensive income for the period	-11 918	35 356	-2 791	7 975
Net cash flows from operating activities	53 614	23 492	12 556	5 299
Net cash flows from investing activities	29 601	-27 580	6 932	-6 221
Net cash flows from financial activities	-21 043	-1 887	-4 928	-426
Net increase (decrease) in cash and cash equivalents	62 030	-6 088	14 527	-1 373
Number of shares	23 930 769	23 930 769	23 930 769	23 930 769
Declared or paid dividend per share (in PLN/EUR)	0,00	0,00	0,00	0,00
Net profit (loss) per share (in PLN/EUR)	0,75	-2,23	0,18	-0,50
	31.03.2025 (audited)	31.03.2024 (audited)	31.03.2025 (audited)	31.03.2024 (audited)
Total assets	1 013 148	1 002 682	242 154	233 133
Total liabilities	588 301	565 917	140 611	131 581
Long-term liabilities	219 098	71 574	52 367	16 642
Short-term liabilities	369 203	494 343	88 244	114 939
Total equity	424 847	436 765	101 543	101 552
Share capital	23 931	23 931	5 720	5 564
Book value per share (in PLN/EUR)	17,75	18,25	4,24	4,24

## PROFIT AND LOSS ACCOUNT

	01.04.2024- 31.03.2025 (audited)	01.04.2023- 31.03.2024 (audited)
Sales revenue	944 223	920 401
Cost of sales	637 648	685 544
<b>Gross profit from sales</b>	<b>306 575</b>	<b>234 858</b>
Other operating revenue	2 032	1 544
Costs of sales	223 373	222 214
General administrative costs	67 511	71 677
Other operating costs	7 922	4 773
<b>Profit/ (loss) on operating activities</b>	<b>9 801</b>	<b>-62 262</b>
Financial revenue	15 240	18 139
Financial costs	23 540	14 817
Share in the profit/ loss of investments valued at equity method	13 826	-1 946
<b>Profit / (loss) before tax</b>	<b>15 327</b>	<b>-60 885</b>
Income tax	-2 640	-7 484
<b>Profit/ (loss) on continued operations of the period</b>	<b>17 967</b>	<b>-53 401</b>
<b>Profit of the period</b>	<b>17 967</b>	<b>-53 401</b>
<b>Profit per share for the period (in PLN):</b>		
- basic	0,75	-2,23
- diluted	0,75	-2,23

## STATEMENT OF COMPREHENSIVE INCOME

	01.04.2024- 31.03.2025 (audited)	01.04.2023- 31.03.2024 (audited)
<b>Profit of the period</b>	<b>17 967</b>	<b>-53 401</b>
<b>Other comprehensive income before tax, including:</b>	<b>-36 612</b>	<b>109 323</b>
<b>Items which in the future will not be reclassified to the profit and loss account</b>	<b>-656</b>	<b>-565</b>
Revaluation of employee benefit obligations	-656	-565
<b>Items which in the future may be reclassified to the profit and loss account</b>	<b>-35 956</b>	<b>109 888</b>
Foreign exchange differences on translation of foreign operations	-1 208	1 087
Other comprehensive income for a cash flow hedge	-34 747	108 801
<b>Deferred tax connected with items which in the future will not be reclassified to the profit and loss account</b>	<b>-125</b>	<b>-106</b>
Deferred tax regarding employee benefits	-125	-106
<b>Deferred tax connected with items which in the future may be reclassified to the profit and loss account</b>	<b>-6 602</b>	<b>20 672</b>
Deferred tax regarding hedge accounting	-6 602	20 672
<b>Other net comprehensive income</b>	<b>-29 885</b>	<b>88 757</b>
<b>Total comprehensive income for the period</b>	<b>-11 918</b>	<b>35 356</b>

## STATEMENT OF FINANCIAL SITUATION (BALANCE SHEET)

	31 March 2025 (audited)	31 March 2024 (audited)
<b>ASSETS</b>		
<b>Non-current assets</b>	<b>524 188</b>	<b>594 779</b>
Tangible fixed assets	273 731	286 921
Intangible assets	15 659	15 783
Investment in subsidiaries and entities	207 083	207 133
Investments in associates accounted for under the equity method	13 966	11 373
Other long-term assets	13 749	12 169
Financial derivative instruments receivables	0	61 400
<b>Current assets</b>	<b>488 960</b>	<b>407 904</b>
<b>Current assets other then held for sale</b>	<b>488 960</b>	<b>407 904</b>
Inventory	140 861	131 581
Trade and other receivables	177 187	149 982
Financial derivative instruments receivables	89 711	63 059
Income tax receivables	0	10 016
Other short-term assets	102	34 198
Cash and cash equivalents	81 099	19 069
<b>TOTAL ASSETS</b>	<b>1 013 148</b>	<b>1 002 682</b>
<b>LIABILITIES</b>		
<b>Equity</b>	<b>424 847</b>	<b>436 765</b>
Share capital	23 931	23 931
Surplus of share sale above their nominal value	114 556	114 556
Other reserve capitals	93 218	123 104
Retained earnings	193 142	175 175
<b>Long-term liabilities</b>	<b>219 098</b>	<b>71 574</b>
Deferred tax liability	10 209	19 576
Provision for benefits after the employment period	4 401	3 755
Interest-bearing loans and borrowings	168 409	0
Subsidies	2 842	1 413
Financial liabilities due to lease	33 237	33 074
Other long-term financial liabilities	0	13 756
<b>Short-term liabilities</b>	<b>369 203</b>	<b>494 343</b>
Trade and other liabilities	321 570	277 562
Contract liabilities	1 303	843
Subsidies	301	320
Current portion of interest-bearing loans and borrowings	41 044	211 282
Financial liabilities due to lease	2 466	1 782
Provision for benefits after the employment period	703	538
Other provisions	1 816	2 016
<b>Total liabilities</b>	<b>588 301</b>	<b>554 544</b>
<b>TOTAL LIABILITIES</b>	<b>1 013 148</b>	<b>1 002 682</b>

**CASH FLOW STATEMENT**

	01.04.2024- 31.03.2025 (audited)	01.04.2023- 31.03.2024 (audited)
<b>Cash flow from operating activity</b>		
Profit/ (loss) of the period	17 967	-53 401
Adjustments by:	25 630	68 457
Share in the loss of investments valued at equity method	-13 826	1 946
Amortisation	24 466	24 507
Foreign exchange (profit)/loss	-6 356	-7 460
Interest income	-1 884	-1 870
Interest costs	13 516	14 375
Dividends	-5 483	-3 722
(Profit)/ Loss on investing activity	455	-105
Change in receivables	-27 204	23 379
Change in inventories	-9 281	20 642
Change in liabilities, excluding loans and borrowings	43 910	4 272
Change in provisions	-64	-225
Current tax recognised in profit or loss	-2 640	-7 484
Other	10 021	202
<b>Operating cash flow</b>	<b>43 597</b>	<b>15 057</b>
Income tax paid	10 016	8 435
<b>Net operating cash flow</b>	<b>53 614</b>	<b>23 492</b>
<b>Cash flows from investment activities</b>		
Sale of tangible fixed assets	1 036	613
Sell of shares of company valued at equity method	2	0
Purchases of intangible assets	0	-223
Purchases of tangible fixed assets	-7 776	-30 193
Investments in real estate	0	-50
Purchase of other debt and equity instruments	0	-698
Purchase of share of company valued at equity method	-3 490	0
Dividends received	5 536	3 722
Interest received	4 030	30
Repayment of borrowings granted to related entities	30 366	0
Borrowings granted to related entities	-103	-781
<b>Net investment cash flow</b>	<b>29 601</b>	<b>-27 580</b>
<b>Cash flows from financing activities</b>		
Inflow from loans and borrowings taken out	31 912	14 941
Repayment of loans and borrowings	-27 001	0
Repayment of leasing liabilities	-2 028	-2 029
Interest paid	-14 150	-14 799
Other inflows/outflows	-9 775	0
<b>Net financial cash flow</b>	<b>-21 043</b>	<b>-1 887</b>
Increase/ (decrease) in cash and cash equivalents before exchange differences	62 172	-5 975
Net foreign exchange differences	-142	-113
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>62 030</b>	<b>-6 088</b>
<b>Opening balance of cash</b>	<b>19 069</b>	<b>25 157</b>
<b>Cash at end of year, including:</b>	<b>81 099</b>	<b>19 069</b>
- of limited disposability	710	15

**STATEMENT OF CHANGES IN EQUITY**

for the period ended on 31 March 2025 (audited)

	Share capital	Share premium	Retained earnings	Other reserve capital	Total equity
<b>Status at the beginning of the period</b>	<b>23 931</b>	<b>114 556</b>	<b>175 175</b>	<b>123 104</b>	<b>436 765</b>
Current result	0	0	17 967	0	17 967
Other comprehensive income for the period	0	0	0	-29 885	-29 885
<b>Comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>17 967</b>	<b>-29 885</b>	<b>-11 918</b>
<b>Change in equity</b>	<b>0</b>	<b>0</b>	<b>17 967</b>	<b>-29 885</b>	<b>-11 918</b>
<b>Status at the end of the period</b>	<b>23 931</b>	<b>114 556</b>	<b>193 142</b>	<b>93 218</b>	<b>424 847</b>

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

**Financial figures of FABRYKI MEBLI „FORTE” S.A.**

Item	period 01.04.2024- 31.03.2025 (audited)	period 01.04.2023- 31.03.2024 (audited)	Change %
	31.03.2025 (audited)	31.03.2024 (audited)	
Sales revenue	944 223	920 401	2,6%
Cost of sales	-637 648	-685 544	-7,0%
Gross profit on sales	306 575	234 858	30,5%
Gross margin on sales %	32,5%	25,5%	
Selling costs	-223 373	-222 214	0,5%
G&A costs	-67 511	-71 677	-5,8%
Operating profit (EBIT)	9 801	-62 262	115,7%
EBITDA	34 267	-37 755	190,8%
Gross profit	15 327	-60 885	125,2%
Net profit	17 967	-53 401	133,6%
Return on sales (ROS)	1,9%	-5,8%	
Return on equity (ROE)	4,2%	-12,2%	
Return on assets (ROA)	1,8%	-5,3%	

Due to the current structure of the FORTE Group, in which vertical integration of the added value chain is spread across individual companies, the Management Board does not comment on the above separate financial figures because the analysis of separate financial statements of the Parent Company does not make full economic sense.

In the completed 12-month financial year 2024/2025, 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:**

- positive impact of the adopted hedging strategy designed to mitigate the decline in the EUR/PLN exchange rate;
- additional income from the sale of CO2 emission allowances;
- positive effect of the reduction of costs, including employment costs;
- offering furniture 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. 18%);
- positive effect of investments made in reducing the quantitative consumption of energy (both thermal and electrical), which additionally lowers the operating costs and carbon footprint of the Forte Group.

The most significant investments made by the Group in the reporting period include expenditure incurred by the Parent Company on the development of the EasyKlix Project, the construction of a gas boiler room, the construction of a production waste barrier and the modernisation of technical buildings and infrastructure (fire detection system, dust removal and circulation system, water supply networks) and expenditure incurred by TANNE on the modernisation of the board production line and the purchase of waste recycling containers for a total value of approx. PLN 12 million.

The approved investment budget for the next financial year is PLN 24 million. The planned capital expenditure will mainly involve the construction of a gas boiler room with technical infrastructure and an LNG tank, the construction of a new dust silo with a loading station for trucks, and the continued expansion of the machine park for the development of the EasyKlix line at the production plant in Ostrów Mazowiecka; the construction of a car park, thermal modernisation of buildings and modernisation of the fire alarm system in Hajnówka; further modernisation of the fire protection system and technical infrastructure in Suwałki. TANNE sp. z o.o. plans to modernise its board production line, purchase equipment for the development of its internal laboratory and purchase additional equipment for continuous measurement of environmental emissions. The planned investment budget is in line with the budget agreed with the banks financing the FORTE Group, and the Management Board of the Parent Company does not see any threats to its implementation against the Group's financial resources.

Liquidity and efficiency analysis	31.03.2025 (audited)	31.03.2024 (audited)
Current ratio (current assets/current liabilities)	1,3	0,8
Quick ratio (current assets – inventories/current liabilities)	0,9	0,6
Receivable turnover in days (average trade receivables*365/sales revenue)	49	47
Inventory turnover in days (average inventories*365/cost of sales)	78	76
Liability turnover in days (average trade liabilities*365/cost of sales)	131	112
Current asset turnover in days (average current assets*365/sales revenue)	173	154

Characteristics of balance sheet items	31.03.2025 (audited)		31.03.2024 (audited)		% change
	PLN '000	% of balance sheet total	PLN '000	% of balance sheet total	
Non-current assets	524 188	52%	594 779	59%	-12%
Current assets	488 960	48%	407 904	41%	20%
<b>Total assets</b>	<b>1 013 148</b>	<b>100%</b>	<b>1 002 682</b>	<b>100%</b>	<b>1%</b>
Equity	424 847	42%	436 765	44%	-3%
Non-current liabilities and provisions	219 098	22%	60 201	7%	206%
Current liabilities and provisions	369 203	36%	494 343	49%	-25%
<b>Total equity and liabilities</b>	<b>1 013 148</b>	<b>100%</b>	<b>991 309</b>	<b>100%</b>	<b>1%</b>

**Non-current assets** decreased by PLN 70 591 thousand. The largest decrease in non-current assets was recorded in non-current receivables from derivative financial instruments hedging foreign exchange risk,

as a result of their reclassification to current receivables due to the approaching maturity dates of the options held and the inability to enter into new hedging transactions due to the temporary freezing of bank limits (a decrease by PLN 61 400 thousand).

**Current assets** increased by PLN 81 056 thousand. The most significant increase was recorded in cash and cash equivalents, which rose by PLN 62 030 thousand, while the decrease in other financial assets was mainly due to the loan repayment by the subsidiary TANNE (by PLN -34 096 thousand).

On the **liabilities** side, the most significant decrease was in current loan liabilities (by PLN 170 238 thousand), which are now non-current liabilities (an increase by PLN 168 409 thousand). The above reclassification was made as a result of reaching an agreement with banks and signing the Common Terms Agreement, according to which the maturity date of the loans is March 2027.

The Company, as the Parent Company, handles payments centrally, which allows it to effectively manage and supervise the cash position of the Group companies, thus maintaining liquidity in all entities it serves and supervises, taking into account the specific nature of their operations.

The major factors which, in the opinion of the Management Board, may affect the Group's performance in the following financial years 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 opportunity 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,
- continuing general social unrest and economic uncertainty due to the ongoing war in Ukraine and the Gaza Strip,
- increase in customs duties imposed by the United States on goods imported from China, leading to an increase in China's share as a real competitor on the European market,
- 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,
- implementation of cost optimisation and working capital management measures,
- finalisation of the bank loan restructuring project, which eliminated the risk of loss of financial liquidity and ensured stable financing for the FORTE Group for the next three years.

In the coming months, the Group will focus on measures aimed at increasing profitability and developing new sales directions to counteract the negative effects of the recession.

The Management Board has implemented pro-sales initiatives aimed at increasing sales and market share. One of them is the introduction of furniture featuring EasyKlix, a modern easy-assembly technology, which the Group sells under its own brand name – EasyKlix by FORTE. The Group has introduced EasyKlix furniture to several major customers in Europe, and as production capacity increases, the Group will roll out this innovative solution to a wider range of customers.

The Group is also working on strengthening the digitalisation of sales by strengthening its presence on digital sales platforms and developing online sales through cooperation with key distributors offering online sales. The Group is taking steps to start cooperation with new business partners, renew relationships with former partners, and acquire market share from failing companies.

The Group's competitive advantage is undoubtedly its own source of supply of board for furniture production. The Group has implemented an internal cost optimisation programme while taking measures

to maximise the efficiency of its operations. The Management Board places great emphasis on increasing energy independence, which is reflected, among other things, in the launch of photovoltaic farms to support one of the most energy-intensive businesses, i.e. the furniture board factory.

**Signature of the person entrusted with bookkeeping:**

**Chief Accounting  
Anna Wilczyńska**

.....

**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**

.....

Ostrów Mazowiecka, 30 June, 2025