



**Extract of
consolidated
financial report
for the period
ended 31.03.2021**

**FABRYKI MEBLI „FORTE” S.A.
CAPITAL GROUP**

Ostrów Mazowiecka, 20 maja 2021 roku

www.FORTE.com.pl

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CONSOLIDATED SELECTED FINANCIAL DATA

	in thousands of PLN		in thousands of EUR	
	31 March 2021 (unaudited)	31 March 2020 (unaudited)	31 March 2021 (unaudited)	31 March 2020 (unaudited)
Sales revenue	298 629	276 394	65 316	62 870
Profit on operating activities	45 136	26 811	9 872	6 099
Profit before tax	39 742	2 485	8 692	565
Net profit attributable to equity owners of the Parent company	26 849	(4 400)	5 872	(1 001)
Total comprehensive income for the period	19 642	(39 144)	4 296	(8 904)
Net cash flow from operating activities	23 083	18 366	5 049	4 178
Net cash flow from investment activities	(6 469)	(6 532)	(1 415)	(1 486)
Net cash flow from financial activities	2 292	(19 810)	501	(4 506)
Net increase (decrease) in cash and cash equivalents	18 906	(7 976)	4 135	(1 814)
Number of shares	23 930 796	23 930 796	23 930 796	23 930 796
Net profit per share attributable to equity owners of the parent (in PLN/EUR)	1,12	(0,18)	0,24	(0,04)
	31 March 2021 (unaudited)	31 December 2020 (audited)	31 March 2021 (unaudited)	31 December 2020 (audited)
Total assets	1 528 389	1 471 965	327 959	318 966
Total liabilities	712 539	675 755	152 896	146 432
Long-term liabilities	318 584	322 797	68 361	69 948
Short-term liabilities	393 955	352 958	84 534	76 484
Total equity	813 294	793 647	174 515	171 979
Share capital	23 931	23 931	5 135	5 186
Book value per share (in PLN/EUR)	33,98	33.16	7,29	7.19

SELECTED FINANCIAL DATA

	in thousands of PLN		in thousands of EUR	
	31 March 2021 (unaudited)	31 March 2020 (unaudited)	31 March 2021 (unaudited)	31 March 2020 (unaudited)
Sales revenue	277 852	262 722	60 771	59 760
Profit on operating activities	14 022	8 013	3 067	1 823
Profit before tax	12 544	9 005	2 744	2 048
Profit of the period	8 296	5 982	1 814	1 361
Total comprehensive income for the period	442	(29 740)	97	(6 765)
Net cash flows from operating activities	(6 918)	7 222	(1 513)	1 643
Net cash flows from investing activities	(5 194)	(4 863)	(1 136)	(1 106)
Net cash flows from financial activities	24 170	(14 455)	5 286	(3 288)
Net increase (decrease) in cash and cash (equivalents)	12 058	(12 096)	2 637	(2 751)
Number of shares	23 930 796	23 930 796	23 930 796	23 930 796
Declared or paid dividend per share (in PLN/EUR)	0,00	0,00	0,00	0,00
Net profit per share (in PLN/EUR)	0,35	0,25	0,08	0,06
	31 March 2021 (unaudited)	31 December 2019 (audited)	31 March 2020 (unaudited)	31 December 2019 (audited)
Total assets	930 762	878 271	199 721	190 316
Total liabilities	370 100	318 051	79 415	68 920
Long-term liabilities	58 196	45 929	12 488	9 953
Short-term liabilities	311 904	272 122	66 928	58 967
Total equity	560 662	560 220	120 306	121 396
Share capital	23 931	23 931	5 135	5 186
Book value per share (in PLN/EUR)	23,43	23,41	5,03	5,07

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	For the reporting period ended	
	31 March 2021 (unaudited)	31 March 2020 (unaudited)
Continued operations		
Revenue from sales of goods, products and materials and services	298 629	276 394
Cost of sales	(168 212)	(169 763)
Gross profit from sales	130 417	106 631
Other operating revenue	948	1 228
Costs of sales	(61 769)	(61 610)
General administrative costs	(23 810)	(15 729)
Other operating costs	(650)	(3 709)
Profit on operating activities	45 136	26 811
Financial revenue	44	140
Financial costs	(4 251)	(22 308)
Loss on derivative financial instruments	(406)	(447)
Share in the loss of investments valued at equity method	(781)	(1 711)
Profit before tax	39 742	2 485
Income tax	(12 898)	(6 883)
Profit/(loss) on continued operations of the period	26 844	(4 398)
Profit /(loss) of the period	26 844	(4 398)
Attributable to:		
Shareholders of the Parent Company	26 849	(4 400)
Non-controlling shareholders	(5)	2
Profit on continued operations of the period attributable to shareholders of the Parent Company per share in PLN		
Profit per share:		
Basic profit per one share on continued operations	1,12	(0,18)
Profit per one share		
Diluted profit per one share on continued operations	1,12	(0,18)
Diluted profit per one share		

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the reporting period ended	
	31 March 2021 (unaudited)	31 March 2020 (unaudited)
Profit/(Loss) of the period	26 844	(4 398)
Other net comprehensive income before tax	(9 002)	(43 203)
Items which in the future may be reclassified to the profit and loss account	(9 002)	(43 203)
Foreign exchange differences on translation of foreign operations	49	1 601
Other comprehensive income for a cash flow hedge	(9 051)	(44 793)
Other adjustments	-	(11)
Deferred tax connected with items which in the future may be reclassified to the profit and loss account	1 800	8 457
Deferred tax regarding hedge accounting	1 800	8 457
Other comprehensive income	(7 202)	(34 746)
Total comprehensive income for the period	19 642	(39 144)
Attributable to:		
Shareholders of the Parent Company	19 647	(39 146)
Non-controlling shareholders	(5)	2

CONSOLIDATED STATEMENT OF FINANCIAL SITUATION (BALANCE SHEET)

	31 March 2021 (unaudited)	31 December 2020 (audited)
ASSETS		
Non-current assets	1 010 101	1 019 849
Tangible fixed assets	838 149	845 035
Intangible assets	18 884	17 520
Other long-term financial assets	1 118	1 120
Real estate investment	64 036	64 036
Assets on deferred tax	87 914	92 138
Current assets	518 288	452 116
Current assets other than held for sale	513 388	447 216
Inventory	224 577	178 917
Trade and other receivables	181 667	180 040
Income tax receivables	163	106
Financial assets	126	128
Cash and cash equivalents	106 855	88 025
Assets held for sale	4 900	4 900
TOTAL ASSETS	1 528 389	1 471 965
LIABILITIES		
Total equity	815 850	796 210
Equity (attributable to shareholders of the Parent Company), including:	813 294	793 647
Basic equity	23 931	23 931
Surplus of share sale above their nominal value	114 556	114 556
Other reserve capital	(43 939)	(36 737)
Retained earnings	718 746	691 897
Capital attributable to non-controlling shareholders	2 556	2 563
Long-term liabilities	318 584	322 797
Deferred income tax provision	107	-
Provision for benefits after the employment period	5 328	5 327
Interest-bearing loans and borrowings	216 517	233 638
Trade and other long-term liabilities	1 682	1 666
Accruals	38 471	37 563
Financial liabilities due to lease	25 605	22 761
Liabilities due to financial derivative instruments	27 235	19 163
Other long-term financial liabilities	3 639	2 679
Short-term liabilities	393 955	352 958
Trade and other liabilities	179 787	170 993
Contract liabilities	2 009	1 783
Accruals	2 310	2 311
Income tax liabilities	21 770	16 527
Current portion of interest-bearing loans and borrowings	179 597	153 902
Financial liabilities due to lease	2 163	2 102
Liabilities due to financial derivative instruments	3 547	2 568
Provision for benefits after the employment period	500	500
Other accruals	2 272	2 272
Total liabilities	712 539	675 755
TOTAL LIABILITIES	1 528 389	1 471 965

CONSOLIDATED CASH FLOW STATEMENT

	3 months ended 31.03.2021 (unaudited)	3 months ended 31.03.2020 (unaudited)
Cash flows from operating activities		
Profit (loss) of the period	26 844	(4 398)
Adjustments by:	(1 918)	27 608
Share of profit (loss) of associates and joint ventures accounted for using equity method	781	1 711
Depreciation	13 769	14 082
Foreign exchange (gains)/losses	3 891	26 441
Interest income	-	(74)
Interest costs	1 909	3 320
Profit/(Loss) on investing activity	(34)	145
Change in receivables	(1 627)	(13 890)
Change in inventories	(45 660)	(10 424)
Change in liabilities, excluding loans and borrowings	11 887	(1 571)
Change in accruals and deferrals	263	813
Current tax recognised in the profit and loss account	12 898	6 883
Other adjustments	5	172
Cash flows from operating activities	24 926	23 210
Income tax paid	(1 843)	(4 844)
Net cash flows from operating activities	23 083	18 366
Cash flows from investment activities		
Sale of tangible fixed assets	59	43
Purchase of intangible fixed assets	-	(27)
Purchase of tangible assets	(6 528)	(5 015)
Cash from entity including to consolidation	-	(18)
Repayment of borrowings granted	-	103
Borrowings granted	-	(1 618)
Net cash flows from investing activities	(6 469)	(6 532)
Cash flows from financing activities		
Inflows from borrowings taken out	25 426	796
Repayment of borrowings	(20 645)	(16 160)
Repayment of leasing liabilities	(577)	(618)
Dividends paid to non-controlling shareholders	(2)	-
Interest paid	(1 910)	(3 828)
Net cash flows from financial activities	2 292	(19 810)
Net (increase) decrease in cash and cash (equivalents) before impact of foreign exchange differences	18 906	(7 976)
Net foreign exchange differences (from the opening balance translation)	(76)	739
Net (increase) decrease in cash and cash (equivalents)	18 830	(7 237)
Opening balance of cash	88 025	54 391
Closing balance of cash, including:	106 855	47 154
of limited disposability	53	66

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period ended 31 March 2021 (unaudited)

	Share capital	Share premium	Retained earnings	Other reserve capital	Total capital attributed to controlling shareholders	Total capital of non-controlling shareholders	Total equity
As at 1 January 2021	23 931	114 556	691 897	(36 737)	793 647	2 563	796 210
Dividends paid to non-controlling shareholders	-	-	-	-	-	(2)	(2)
Current result	-	-	26 849	-	26 849	(5)	26 844
Other comprehensive income for the period	-	-	-	(7 202)	(7 202)	-	(7 202)
Comprehensive income for the period	-	-	26 849	(7 202)	19 647	(5)	19 642
Change in equity	-	-	26 849	(7 202)	19 647	(7)	19 640
As at 31 March 2021	23 931	114 556	718 746	(43 939)	813 294	2 556	815 850

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period ended 31 December 2020 (audited)

	Share capital	Share premium	Retained earnings	Other reserve capital	Total capital attributed to controlling shareholders	Total capital of non-controlling shareholders	Total equity
As at 1 January 2020	23 931	114 556	664 511	(21 813)	781 185	17	781 202
Error adjustments	-	-	(23 868)	23 868	-	-	-
Changes in Accounting Principles (Policy)	-	-	1 569	(1 569)	-	-	-
As at 1 January 2020 after adjustments	23 931	114 556	642 212	486	781 185	17	781 202
Payment of dividend for 2019	-	-	-	-	-	-	-
Including an entity for consolidation	-	-	145	-	145	2 553	2 698
Other changes	-	-	(11)	-	(11)	(9)	(20)
Current result	-	-	49 551	-	49 551	2	49 553
Other comprehensive income for the period	-	-	-	(37 223)	(37 223)	-	(37 223)
Comprehensive income for the period	-	-	49 551	(37 223)	12 328	2	12 330
Change in equity	-	-	49 685	(37 223)	12 462	2 546	15 008
As at 31 December 2020	23 931	114 556	691 897	(36 737)	793 647	2 563	796 210

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period ended 31 March 2020 (unaudited)

	Share capital	Share premium	Retained earnings	Other reserve capital	Total capital attributed to controlling shareholders	Total capital of non-controlling shareholders	Total equity
As at 1 January 2020	23 931	114 556	664 511	(21 813)	781 185	17	781 202
Error adjustments	-	-	(23 868)	23 868	-	-	-
Changes in Accounting Principles (Policy)	-	-	1 569	(1 569)	-	-	-
As at 1 January 2020 after adjustments	23 931	114 556	642 212	486	781 185	17	781 202
Including an entity for consolidation	-	-	-	-	-	-	-
Other changes	-	-	(3)	11	8	(8)	-
Current result	-	-	(4 400)	-	(4 400)	2	(4 398)
Other comprehensive income for the period	-	-	-	(34 746)	(34 746)	-	(34 746)
Comprehensive income for the period	-	-	(4 400)	(34 746)	(39 146)	2	(39 144)
Change in equity	-	-	(4 403)	(34 735)	(39 138)	(6)	(39 144)
As at 31 March 2020	23 931	114 556	637 809	(34 249)	742 047	11	742 058

1. 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
Q1 2021	55 837	19%	242 792	81%	298 629	-
2021	55 837	19%	242 792	81%	298 629	-
Q1 2020	52 430	19%	223 965	81%	276 395	24%
Q2 2020	32 601	21%	121 795	79%	154 396	13%
Q3 2020	67 305	19%	279 696	81%	347 001	30%
Q4 2020	73 366	19%	308 849	81%	382 215	33%
Total 2020	225 702	19%	934 305	81%	1 160 007	100%

2. Revenues and costs**Sales revenues and geographic structure**

Sales revenues	For the reporting period ended	
	31.03.2021	31.03.2020
Revenues from sales of:		
- products, including	271 012	255 340
<i>result on the hedge accounting</i>	-	3 135
- goods	1 518	2 144
- materials	24 668	17 442
Revenues from sales of services	1 431	1 468
Total net revenues from sales	298 629	276 394
Geographic structure		
country	55 837	52 430
export	242 792	223 964
- including from related entities	1 867	2 930

3. Other operating revenues

Other operating revenues	For the reporting period ended	
	31.03.2021	31.03.2020
Gain on sale of property, plant and equipment	42	2
Subsidies	625	515
Compensations	202	90
Other	79	621
Total other operating revenues	948	1 228

4. Other operating cost

Other operating costs	For the reporting period ended	
	31.03.2021	31.03.2020
Create of impairment write-downs	1	-
Scrapping of inventory	257	689
Donations	3	26
Penalties and compensations	297	160

Other	92	2 834
Total other operating costs	650	3 709

5. Financial revenue

Financial revenue	For the reporting period ended	
	31.03.2021	31.03.2020
Interest	44	140
Financial revenues, total	44	140

6. Financial costs

Financial costs	For the reporting period ended	
	31.03.2021	31.03.2020
Interest on loans and borrowings	1 478	2 859
Interest on leasing	82	250
Interest on budget	107	54
Commission on loans and borrowings	78	224
Exchange differences of financial assets and liabilities	2 455	18 900
Other	51	21
Financial costs, total	4 251	22 308

7. Costs by type

Costs by type	For the reporting period ended	
	31.03.2021	31.03.2020
Amortisation	13 769	14 082
Consumption of materials and energy	126 906	110 998
External services	51 426	49 627
Taxes and fees	4 342	3 126
Payroll	60 198	47 857
Social insurance and other benefits	13 491	14 010
Other costs by type	2 391	3 078
Costs by type	272 523	242 778
Change in product inventory and accruals	(35 531)	(13 643)
Manufacturing cost of products for internal purposes	(958)	(922)
Costs of sales	(61 769)	(61 610)
General administrative costs	(23 810)	(15 729)
Manufacturing cost of sold products and services	150 455	150 874
Value of goods and materials sold	17 757	18 889
Costs of sales	168 212	169 763

Costs of sales	For the reporting period ended	For the reporting period ended
	31.03.2021	31.03.2020
Cost of sales of sold goods, products and materials	167 085	168 764
Cost of sales of sold services	1 127	999
Cost of sales	168 212	169 763

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

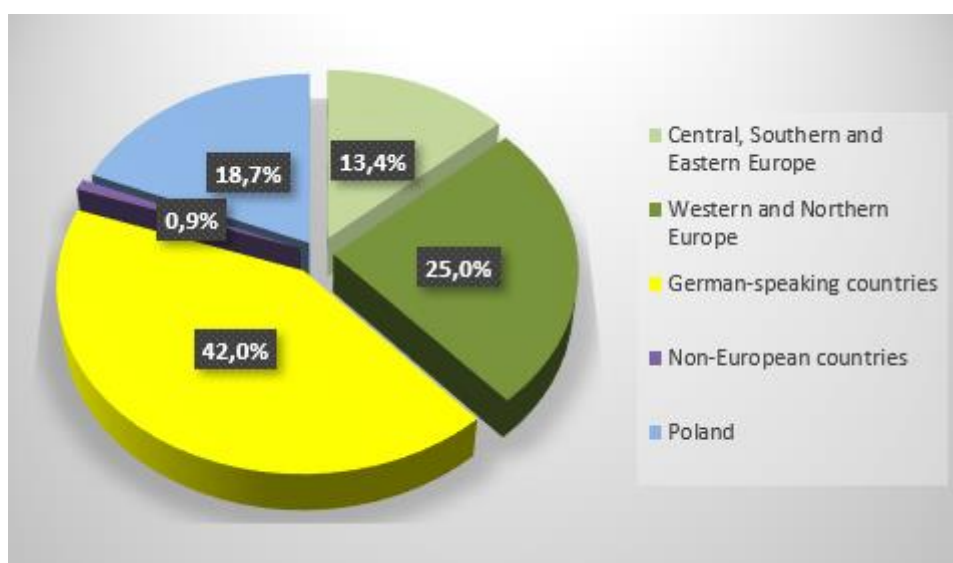
Item	31.03.2021	31.03.2020	% change
Sales revenue	298 629	276 394	8.0%
Cost of sales	(168 212)	(169 763)	(0.9%)
Gross profit on sales	130 417	106 631	22.3%
Gross margin on sales %	43.7%	38.6%	
Selling costs	(61 769)	(61 610)	0.3%
G&A costs	(23 810)	(15 729)	51.4%
Operating profit (EBIT)	45 136	26 811	68.3%
EBITDA	58 905	40 893	44.0%
Share in profit/loss of subsidiaries valued under the equity method	(781)	(1 711)	(54.4%)
Gross profit	39 742	2 485	1 499.3%
Net profit (loss)	26 844	(4 398)	(710.4%)
Net profit margin	9.0%	(1.6%)	
Return on equity (ROE)	3.3%	(0.6%)	
Return on assets (ROA)	1.8%	(0.3%)	

After Q1 2021, **sales revenue** amounted to PLN 298 629 thousand and was higher by 8% (in terms of value by PLN 22 235 thousand) as compared to the corresponding period last year.

Sales of surplus furniture board manufactured in our own plant outside the Group amounted to PLN 23 968 thousand (in Q1 2020 – PLN 16 762 thousand).

Export sales of the FORTE Group totalled PLN 242 792 thousand – 81% of total sales (in Q1 2020 – PLN 223 964 thousand – 81%). Sales in the Polish market amounted to PLN 55 837 thousand (19%) against PLN 52 430 thousand (19%) in the corresponding period of 2020.

The percentage of sales in individual markets is presented in the chart below.



The largest share in sales belonged to German-speaking countries - 42% and Western and Northern Europe – 25%. Domestic sales accounted for 19% of the Group's sales revenue.

Gross margin on sales stood at a level of 43.7%, which is 5.1 percentage point higher than in the corresponding period last year.

At the end of Q4 2020, the decisions of individual countries, mainly the DACH group, to completely close their markets again, which continue to be closed to this day, as well as local restrictions in other sales markets, had a significant impact on the Group's lower sales revenue than in Q4 2020. On the other hand, the continued high EUR/PLN exchange rate had a significant positive impact on the increase in revenue and profitability in Q1 2021.

Selling costs - the selling costs to revenue ratio amounted to 20.7% versus 22.3% in the corresponding period last year. In terms of value, selling costs increased by PLN 159 thousand due to lower sales revenue.

G&A costs - the G&A costs to revenue ratio stood at 8% versus 5.7% in Q1 2020.

Operating profit amounted to PLN 45 136 thousand (15.1% of revenue), compared to PLN 26 811 thousand (9.7% of revenue) in Q1 2020.

Result on financial operations amounted to PLN (-) 4 207 thousand. The negative result was affected in particular by exchange rate losses of PLN (-) 2 455 thousand, arising mainly from the valuation of bank loans in EUR.

In the reporting period, **net profit** totalled PLN 26 844 thousand (9% of revenue), compared to a loss of PLN (-) 4 398 thousand in the corresponding period of 2020 (-1.6% of revenue).

Characteristics of balance sheet items	31.03.2021		31.12.2020		% change
	PLN '000	% of balance sheet total	PLN '000	% of balance sheet total	PLN '000
Non-current assets	1 010 101	66%	1 019 849	69%	(1.0%)
Current assets	518 288	34%	452 116	31%	14.6%
Total assets	1 528 389	100%	1 471 965	100%	3.8%
Equity	815 850	53%	796 210	54%	2.5%
Non-current liabilities and provisions	318 584	21%	322 797	22%	(1.3%)
Current liabilities and provisions	393 955	26%	352 958	24%	11.6%
Total equity and liabilities	1 528 389	100%	1 471 965	100%	3.8%

Non-current assets fell by PLN 9 748 thousand, mainly as a result of a decrease in tangible fixed assets due to depreciation of the assets held (PLN 6 886 thousand) and a release of a deferred tax asset (PLN 4 224 thousand).

Current assets increased by PLN 66 172 thousand which was mostly affected by an increase in inventories by PLN 45 660 thousand and in cash and cash equivalents by PLN 18 830 thousand.

The increase in inventories is aimed at preparing the Group for smooth fulfilment of customer orders after the lifting of lockdowns in individual markets.

On the **liabilities** side, the most significant changes relate to an increase in: retained earnings – PLN 26 849 thousand, liabilities under derivative financial instruments – PLN 9 051 thousand, liabilities under bank loans – PLN 8 574 thousand, trade liabilities – PLN 8 794 thousand and income tax liabilities - PLN 5 243 thousand.

The change in lease liabilities (an increase by PLN 2 844 000) referred to the revaluation of liabilities due to an increase in the perpetual usufruct fee for land in Suwałki.

PROFIT AND LOSS ACCOUNT

	For the reporting period ended	
	31 March 2021 (unaudited)	31 March 2020 (unaudited)
Continued operations		
Revenue from sales of goods, products and materials and services	277 852	262 722
Cost of sales	(175 071)	(172 416)
Gross profit from sales	102 781	90 306
Other operating revenue	212	623
Costs of sales	(68 173)	(66 930)
General administrative costs	(20 217)	(12 506)
Other operating costs	(581)	(3 480)
Operating profit	14 022	8 013
Financial revenue	221	4 008
Financial costs	(918)	(1 305)
Share in the profit/ loss of investments valued at equity method	(781)	(1 711)
Profit before tax	12 544	9 005
Income tax	(4 248)	(3 023)
(Profit)/ loss on continued operations of the period	8 296	5 982
(Profit) loss of the period	8 296	5 982
Profit per share:		
Basic profit per one share on continued operations	0,35	0,25
Diluted profit per one share on continued operations	0,35	0,25

STATEMENT OF COMPREHENSIVE INCOME

	For the reporting period ended	
	31 March 2021 (unaudited)	31 March 2020 (unaudited)
Profit (loss) of the period	8 296	5 982
Other net comprehensive income before tax		
Items which in the future may be reclassified to the profit and loss account	(9 654)	(44 179)
Foreign exchange differences on translation of foreign operations	(180)	330
Other comprehensive income for a cash flow hedge	(9 474)	(44 509)
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	1 800	8 457
Deferred tax regarding hedge accounting	1 800	8 457
Other comprehensive income	(7 854)	(35 722)
Total comprehensive income for the period	442	(29 740)

STATEMENT OF FINANCIAL SITUATION (BALANCE SHEET)

	31 March 2021 (unaudited)	31 December 2020 (audited)
ASSETS		
Non-current assets	567 588	563 657
Tangible fixed assets	267 805	267 799
Intangible assets	916	1 032
Investment in subsidiary	289 886	289 886
Other long-term financial assets	2 885	2 789
Assets on deferred tax	6 096	2 151
Current assets	363 174	314 614
Inventory	169 704	127 102
Trade and other receivables	171 984	177 687
Other financial assets	1 905	2 220
Cash and cash equivalents	19 581	7 605
TOTAL ASSETS	930 762	878 271
LIABILITIES		
Total equity	560 662	560 220
Basic equity	23 931	23 931
Surplus of share sale above their nominal value	114 556	114 556
Other reserve capital	(22 150)	(14 296)
Retained earnings	444 325	436 029
Long-term liabilities	58 196	45 929
Provision for benefits after the employment period	4 816	4 816
Liabilities to associates accounted for using equity method	3 639	2 679
Liabilities due to financial derivative instruments	24 197	15 701
Financial liabilities due to lease	25 544	22 733
Short-term liabilities	311 904	272 122
Trade and other liabilities	182 135	175 556
Contract liabilities	1 913	1 237
Current portion of interest-bearing loans and borrowings	97 734	71 500
Financial liabilities due to lease	3 547	2 568
Liabilities due to financial derivative instruments	21 699	16 453
Income tax liabilities	2 106	2 038
Other accruals	2 770	2 770
Total liabilities	370 100	318 051
TOTAL LIABILITIES	930 762	878 271

CASH FLOW STATEMENT

	3 months ended 31 March 2021 (unaudited)	3 months ended 31 March 2020 (unaudited)
Cash flow from operating activity		
Profit/ (loss) of the period	8 296	5 982
Adjustments by:	(14 067)	5 476
Share of profit (loss) of associates and joint ventures accounted for using equity method	781	1 711
Amortisation	6 147	6 372
Foreign exchange (gains)/losses	874	1 349
Interest income	(12)	(142)
Interest costs	653	1 209
Dividends received	(169)	-
Profit/(Loss) on investing activity	8	145
Change in receivables	5 703	(13 876)
Change in inventories	(42 601)	(8 993)
Change in liabilities, excluding loans and borrowings	10 250	14 637
Current tax recognised in the profit and loss account	4 248	3 023
Other adjustments:	51	41
factoring	51	41
Income tax paid	(1 147)	(4 236)
Net operating cash flow	(6 918)	7 222
Cash flows from investment activities		
Sales of property, plant and equipment and intangible assets	-	41
Purchases of property, plant and equipment and intangible assets	(5 619)	(3 599)
Purchases of financial assets	-	(18)
Interest received	51	36
Borrowings granted	-	(1 623)
Repayment of borrowings granted	205	300
Net investment cash flow	(5 194)	(4 863)
Cash flows from financing activities		
Inflow from loans and borrowings taken out	25 426	796
Repayment of loans and borrowings	-	(13 409)
Interest paid	(703)	(1 250)
Repayment of leasing liabilities	(553)	(592)
Net financial cash flow	24 170	(14 455)
Net (increase) decrease in cash and cash equivalents	12 058	(12 096)
Net foreign exchange differences	82	(267)
Opening balance of cash	7 605	44 641
Cash at end of year, including:	19 581	32 812
- of limited disposability	2	10

STATEMENT OF CHANGES IN EQUITY

for the period ended on 31 March 2021 (unaudited)

	Share capital	Share premium	Retained earnings	Other reserve capital	Total equity
As at 1 January 2021	23 931	114 556	436 029	(14 296)	560 220
Current result	-	-	8 296	-	8 296
Other comprehensive income for the period	-	-	-	(7 854)	(7 854)
Comprehensive income for the period	-	-	8 296	(7 854)	442
Change in equity	-	-	8 296	(7 854)	442
As at 31 March 2021	23 931	114 556	444 325	(22 150)	560 662

STATEMENT OF CHANGES IN EQUITY

for the year ended on 31 December 2020 (audited)

	Share capital	Share premium	Retained earnings	Other reserve capital	Total equity
As at 1 January 2020	23 931	114 556	402 705	24 819	566 011
Changes in Accounting Principles (Policy)	-	-	-	-	-
As at 1 January 2020 after adjustments	23 931	114 556	402 705	24 819	566 011
Current result	-	-	33 324	-	33 324
Other comprehensive income for the period	-	-	-	(39 115)	(39 115)
Comprehensive income for the period	-	-	33 324	(39 115)	(5 791)
Change in equity	-	-	33 324	(39 115)	(5 791)
As at 31 December 2020	23 931	114 556	436 029	(14 296)	560 220

STATEMENT OF CHANGES IN EQUITY

for the period ended on 31 March 2020 (unaudited)

	Share capital	Share premium	Retained earnings	Other reserve capital	Total equity
As at 1 January 2020	23 931	114 556	402 184	25 340	566 011
Changes in Accounting Principles (Policy)	-	-	521	(521)	-
As at 1 January 2020 after adjustments	23 931	114 556	402 705	24 819	566 011
Current result	-	-	5 982	-	5 982
Other comprehensive income for the period	-	-	-	(35 722)	(35 722)
Comprehensive income for the period	-	-	5 982	(35 722)	(29 740)
Change in equity	-	-	5 982	(35 722)	(29 740)
As at 31 March 2020	23 931	114 556	408 687	(10 903)	536 271

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
Maciej Formanowicz**

.....

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

.....

**Member of the Management Board
Andreas Disch**

.....

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

.....

**Member of the Management Board
Walter Stevens**

.....

Ostrów Mazowiecka, 20th May 2021