

Ostrów Mazowiecka, 20 October 2021

CURRENT REPORT NO. 19/2021

Subject: Inside information – preliminary information on the Issuer's financial results for Q3 2021

The Management Board of FABRYKI MEBLI "FORTE" S.A. with its registered office in Ostrów Mazowiecka (hereinafter: the Issuer, the Company) hereby publishes the preliminary information on the financial results of the FABRYKI MEBLI "FORTE" S.A. (hereinafter: the Capital Group or the Group) achieved in Q3 2021.

According to the preliminary calculations, the approximate value of the consolidated sales revenues of the Capital Group in Q3 2021 amounted to PLN 340 million (including PLN 50 million of sales of surplus furniture board manufactured in its own plant, i.e. in TANNE Sp. z o.o.) vs PLN 347 million in the comparative period of 2020 (including PLN 17 million from sales of board outside the Group), i.e. it was 2% lower than in Q3 2020.

The Management Board of the Group informs that at the beginning of Q3 2021, in all production plants of the Capital Group (including the board production plant at TANNE Sp. z o.o.), a traditional two-week renovation downtime took place, which in 2020 was exceptionally not carried out in furniture factories, and only in the plant producing the board in Tanne Sp. z o.o.

Cumulatively after the three quarters of 2021, the Capital Group's sales revenues amounted to PLN 948 million, compared to PLN 778 million for the nine-month period of 2020 (an increase by 22%)

The estimated value of the Group's consolidated EBIT for Q3 2021 was PLN 41 million, compared to PLN 50 million in the corresponding period of 2020 (a decrease by 18%)

Consolidated EBIT for the three quarters of 2021 amounted to PLN 127 million, compared to PLN 74 million in the corresponding period of 2020 (increase by 72%).

The estimated value of the consolidated EBITDA of the Capital Group for Q3 2021 was PLN 55 million, compared to PLN 64 million in Q3 2020 (a decrease by 14%).

The amount of the consolidated EBITDA for the three quarters of 2021 was PLN 168 million, compared to PLN 116 million for the three quarters of 2020 (an increase by 45%).

The net financial debt ratio of the Capital Group at the end of Q3 2021 was approximately 1.6.

The Management Board of the Company informs that a deduction in the amount of PLN 2.3 million was recognized in the preliminary results for Q3 2021 on impairment of the fair value of the investment property located in Przemyśl in connection with the receipt of its current valuation. The Management Board informs that all commercial properties have been appraised by a reputable company of property appraisers. The results of the valuations were included in the books of Q2 and Q3 2021, and the total value of the deduction was PLN 10 million.

The Issuer's Management Board informs that the above-mentioned financial results are estimates and may differ from the final data that will be presented in the report for Q3 2021.

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