



GRUPA BORYSZEW

CONSOLIDATED QUARTERLY REPORT BORYSZEW CAPITAL GROUP

**for the period between 1 January and 31 March
2024**

Report publication date
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SELECTED FINANCIAL DATA

	in PLN '000		in EUR '000	
	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
data regarding abbreviated consolidated financial statements				
Revenue from continuing operations	1 349 344	1 681 502	312 269	357 728
Operating profit	21 142	57 630	4 893	12 260
Net profit on continuing operations	8 654	35 658	2 003	7 586
Net profit on continuing and discontinued operations	8 654	48 012	2 003	10 214
Net profit attributable to the parent	6 431	46 047	1 488	9 796
Weighted average number of shares	202 000 000	202 000 000	202 000 000	202 000 000
Earnings per share attributable to shareholders of the Parent (in PLN/EURO)	0.03	0.23	0.01	0.05
Net cash flow from operating activities	(34 699)	170 782	(8 030)	36 333
Net cash flow from investment activities	16 943	(56 326)	3 921	(11 983)
Net cash flow from financial activities	21 447	(62 930)	4 963	(13 388)
	Balance on 31.03.2024	Balance on 31.12.2023	Balance on 31.03.2024	Balance on 31.12.2023
Total assets	3 852 577	3 758 429	895 761	864 404
Total liabilities and provisions	2 205 483	2 101 572	512 796	483 342
Assets of continuing operations	3 847 231	3 753 082	894 518	863 174
Liabilities of continuing operations	2 205 483	2 101 572	512 796	483 342
Equity	1 647 094	1 656 857	382 965	381 062
Equity attributable to the parent company	1 611 734	1 623 720	374 743	373 441

	in PLN '000		in EUR '000	
	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
data regarding separate abbreviated financial statements				
Revenues from sales	466 804	526 975	108 029	112 110
Operating profit	22 358	14 623	5 174	3 111
Net profit	7 087	6 593	1 640	1 403
Weighted average number of shares	205 205 000	205 205 000	205 205 000	205 205 000
Profit per ordinary share in PLN/EUR	0.03	0.03	0.01	0.01
Net cash flow from operating activities	(20 708)	52 203	(4 792)	11 106
Net cash flow from investment activities	5 045	(33 785)	1 168	(7 188)
Net cash flow from financial activities	4 864	9 169	1 126	1 951
	Balance on 31.03.2024	Balance on 31.12.2023	Balance on 31.03.2024	Balance on 31.12.2023
Total assets	2 219 774	2 186 807	516 118	502 945
Total liabilities and provisions	1 001 621	975 759	232 886	224 416
Equity	1 218 153	1 211 048	283 232	278 530



ABBREVIATED INTERIM CONSOLIDATED

FINANCIAL STATEMENTS

Boryszew Capital Group
for the period between 1 January and 31 March 2024



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
Continuing operations		
Revenues from sales	1 349 344	1 681 502
Prime cost of sale	1 265 112	1 543 124
Gross profit on sales	84 232	138 378
Selling costs	24 794	35 127
Administrative expenses	73 946	70 434
Other operating revenues	50 206	40 130
Other operating expenses	14 556	15 317
Operating income	21 142	57 630
Financial revenues	16 929	17 603
Financial expenses	24 235	18 744
Share in profit of affiliates	(656)	(272)
Profit before taxation	13 180	56 217
Income tax	4 526	20 559
Net profit on continuing operations	8 654	35 658
Net profit/loss on discontinued operations	-	12 354
Net profit on continuing and discontinued operations	8 654	48 012
including attributable to:		
<i>to shareholders of the parent</i>	6 431	46 047
<i>non-controlling interests</i>	2 223	1 965
Earnings / Diluted earnings per share	6 431	46 047
Weighted average number of shares	202 000 000	202 000 000
Earnings / Diluted earnings per share (PLN)	0.03	0.23
Net profit (loss) per share (in PLN, 100/PLN per share)	0.03	0.23
Earnings per share on continuing operations	0.03	0.23
Earnings per share on discontinued operations	-	-
Diluted net profit (loss) per share (PLN/share)	0.03	0.23
Diluted on continuing operations	0.03	0.23
Diluted on discontinued operations	-	-

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME - continued

	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
Net profit	8 654	48 012
Earnings recognised in equity		
Hedge accounting (pre-tax)	(7 177)	11 968
Income tax	1 364	(2 274)
Foreign exchange differences on recalculation of foreign controlled entities	(12 604)	5 522
Earnings recognised in equity, to be transferred to income statement	(18 417)	15 216
Gains/losses on valuation and disposal of equity instruments (before tax)	-	(1 440)
Income tax	-	274
Employee benefit capital reserve (before tax)	-	1
Income tax	-	-
Earnings recognised in equity, not to be transferred to income statement, including:	-	(1 165)
Total earnings recognised in equity	(18 417)	14 051
<i>to shareholders of the parent</i>	<i>(18 417)</i>	<i>14 051</i>
<i>non-controlling interests</i>	<i>-</i>	<i>-</i>
Total comprehensive income, including attributable:	(9 763)	62 063
<i>to shareholders of the parent</i>	<i>(11 986)</i>	<i>60 098</i>
<i>non-controlling interests</i>	<i>2 223</i>	<i>1 965</i>

**Boryszew Capital Group**

Abbreviated interim consolidated financial statements for the period between 1 January and 31 March 2024 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME - Discontinued operations

	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
Revenues from sales	-	-
Prime cost of sale	-	-
Gross profit (loss) from sales	-	-
Selling costs	-	-
General and administrative costs	-	-
Other operating revenue	-	-
Other operating expenses	-	-
Profit (loss) from operating activity	-	-
Financial income liquidation of HMN Szopienice S.A. in liquidation	-	12 354
Financial expenses	-	-
Financial profit/loss	-	12 354
Profit (loss) before income tax	-	12 354
Income tax	-	-
<i>current tax</i>	-	-
<i>deferred tax</i>	-	-
Net profit (loss) on discontinued operations	-	12 354
in the parent company	-	12 354
<i>non-controlling interests</i>	-	-


Boryszew Capital Group

Abbreviated interim consolidated financial statements for the period between 1 January and 31 March 2024 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

CONSOLIDATED BALANCE SHEET

ASSETS	Balance on 31.03.2024	Balance on 31.12.2023	Balance on 31.03.2023
Non-current assets			
Tangible fixed assets	1 338 562	1 329 473	1 407 023
Investment property	142 183	178 622	113 107
Goodwill	6 418	6 418	6 418
Intangible assets	36 251	38 334	41 346
Right-of-use assets	287 647	294 272	299 807
Shares in affiliates	28 201	28 857	24 804
Financial assets	102	101	98
Derivative financial instruments	542	1 183	1 272
Long-term receivables	60 068	43 712	52 975
Deferred tax assets	47 117	45 066	12 041
Total fixed assets	1 947 091	1 966 038	1 958 891
Current assets	1 905 486	1 792 391	2 241 360
Current assets other than assets held for sale	1 900 140	1 787 044	2 241 360
Inventories	856 219	886 122	1 000 988
Trade receivables and other receivables	787 709	633 367	897 088
Short-term financial assets	17 371	17 064	94 745
Derivative financial instruments	12 661	22 927	28 347
Current tax receivables	3 758	8 305	4 518
Cash and cash equivalents	222 422	219 259	215 674
Assets classified as held for sale	5 346	5 347	-
Assets classified as discontinued operations	-	-	-
Total assets	3 852 577	3 758 429	4 200 251

LIABILITIES AND EQUITY	Balance on 31.03.2024	Balance on 31.12.2023	Balance on 31.03.2023
Equity			
Share capital	248 906	248 906	248 906
Share premium	114 435	114 435	114 435
Own shares	(236 753)	(236 753)	(236 753)
Hedge accounting capital	9 207	15 020	24 163
Capital reserve on translating employee payables	(794)	(794)	(36)
Revaluation reserve and gain on disposal of financial assets	3 433	3 433	26 825
Exchange differences on translating foreign entities	(60 550)	(47 946)	(35 609)
Retained earnings	1 533 850	1 527 419	1 577 785
Total equity	1 611 734	1 623 720	1 719 716
Equity of non-controlling shareholders	35 360	33 137	31 269
Total equity	1 647 094	1 656 857	1 750 985
Liabilities and long-term provisions			
Bank loans, borrowings	234 354	249 516	165 073
Lease and right-of-use liabilities	228 427	224 669	227 562
Deferred tax provision	69 951	76 579	72 936
Employee benefit provisions	17 083	17 128	15 203
Other provisions	48 815	48 379	51 409
Other liabilities	75	110	78
Other liabilities and equity	67 092	60 092	64 656
Liabilities and long-term provisions - total	665 797	676 473	596 917
Bank loans, borrowings	476 753	420 846	540 133
Lease and right-of-use liabilities	28 925	35 147	33 678
Trade payables and other liabilities	797 259	724 315	983 307
Derivative financial instruments	1 635	4 339	735
Tax liabilities	9 355	12 293	40 967
Employee benefit provisions	43 742	39 220	48 124
Other provisions	148 799	156 068	175 834
Other liabilities and equity	33 218	32 871	29 571
Short-term liabilities other than liabilities included in groups held for sale, classified as held for sale	1 539 686	1 425 099	1 852 349
Liabilities and short-term provisions - total	1 539 686	1 425 099	1 852 349
Total liabilities and provisions	2 205 483	2 101 572	2 449 266
Total equity and liabilities	3 852 577	3 758 429	4 200 251

CONSOLIDATED CASH FLOW STATEMENT

	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
Cash flows from operating activities		
Profit before taxation	13 180	56 217
Adjustments for (+/-)	(47 879)	114 565
Amortisation/depreciation	39 196	42 784
Profit/loss on financial activity (including interest on financial liabilities)	8 064	15 195
Profit / loss on investment activities	(10 272)	8 996
Change in receivables	(159 710)	(122 504)
Change in inventories	29 907	(44 605)
Change in liabilities	71 175	225 924
Provision for employee benefits	4 477	7 400
Change in provisions	(20 155)	6 132
Other items	(3 371)	(6 774)
Income tax paid	(7 190)	(17 983)
Net cash from operating activities	(34 699)	170 782
Cash flows from investment activities		
Profit on fixed assets disposal	48 689	13 310
Proceeds from disposal of shares and stocks	-	509
Proceeds from repayment of loans granted	-	1 747
Expenses on acquisition of fixed assets	(31 746)	(60 801)
Acquisition of shares and stocks	-	(12 019)
Other investment inflows/outflows	-	928
Net cash from investing activities	16 943	(56 326)
Cash flows from financial activities		
Incomes on credit and loan facilities	101 209	29 607
Repayment of credit and loan facilities	(71 336)	(69 775)
Interest paid on loans, borrowings and leasing	(11 504)	(13 190)
Payments of liabilities under lease agreements	(7 575)	(10 918)
Other financial inflows/outflows	10 653	1 346
Net cash from financing activities	21 447	(62 930)
Net change in cash and cash equivalents (before impact of foreign exchange rates)	3 691	51 526
Translation reserve	(528)	(266)
Cash opening balance	219 259	164 414
Net increase/(decrease) in cash and cash equivalents (after impact of foreign exchange rates)	3 163	51 260
Cash closing balance	222 422	215 674
<i>including: restricted cash</i>	<i>59 379</i>	<i>21 149</i>

CONSOLIDATED STATEMENT ON CHANGES IN EQUITY

	Share capital	Share premium	Treasury shares	Hedge accounting	Profit/Loss on restatement of employee benefits	Revaluation reserve	Exchange differences on recalculation of overseas controlled entities	Retained earnings	Capital of the controlling entity	Equity of non-controlling interest	Total equity
Balance on 01.01.2024	248 906	114 435	(236 753)	15 020	(794)	3 433	(47 946)	1 527 419	1 623 720	33 137	1 656 857
Valuation of hedge instruments				(5 813)					(5 813)		(5 813)
Currency translation differences (subsidiaries)							(12 604)		(12 604)		(12 604)
Profit/loss for Q1 '2024								6 431	6 431	2 223	8 654
Total revenue for Q1 '2024	-	-	-	(5 813)	-	-	(12 604)	6 431	(11 986)	2 223	(9 763)
Balance on 31.03.2024	248 906	114 435	(236 753)	9 207	(794)	3 433	(60 550)	1 533 850	1 611 734	35 360	1 647 094

CONSOLIDATED STATEMENT ON CHANGES IN EQUITY cont'd.

	Share capital	Share premium	Treasury shares	Hedge accounting	Profit/Loss on restatement of employee benefits	Revaluation and disposal reserve	Exchange differences on recalculation of overseas controlled entities	Retained earnings	Capital of the controlling entity	Equity of non-controlling interest	Total equity
Balance on 01.01.2023	248 906	114 435	(236 753)	14 469	(37)	27 991	(41 131)	1 531 738	1 659 618	29 443	1 689 061
Other comprehensive income				551	(757)	(1 005)	(6 815)		(8 026)	(11)	(8 037)
Profit/loss for 2023								122 055	122 055	7 848	129 903
Total comprehensive income for 2023				551	(757)	(1 005)	(6 815)	122 055	114 029	7 837	121 866
Dividends paid and declared								(149 927)	(149 927)	(4 003)	(153 930)
Other changes (*)						(23 553)		23 553			
Change of capital group structure										(140)	(140)
Changes in equity.				551	(757)	(24 558)	(6 815)	(4 319)	(35 898)	3 694	(32 204)
Balance on 31.12.2023	248 906	114 435	(236 753)	15 020	(794)	3 433	(47 946)	1 527 419	1 623 720	33 137	1 656 857

(*) Transfer to reserve capital of profit on disposal of equity instruments



Boryszew Capital Group

Abbreviated interim consolidated financial statements for the period between 1 January and 31 March 2024 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

	Share capital	Share premium	Treasury shares	Hedge accounting	Profit/Loss on restatement of employee benefits	Revaluation reserve	Exchange differences on recalculation of overseas controlled entities	Retained earnings	Capital of the controlling entity	Equity of non-controlling interest	Total equity
Balance on 01.01.2023	248 906	114 435	(236 753)	14 469	(37)	27 991	(41 131)	1 531 738	1 659 618	29 443	1 689 061
Valuation of hedge instruments				9 694					9 694		9 694
Valuation of employee benefits					1				1		1
Valuation of financial assets and disposal through comprehensive income						(1 166)			(1 166)		(1 166)
Currency translation differences (subsidiaries)							5 522		5 522		5 522
Profit/loss for Q1 '2023								46 047	46 047	1 965	48 012
Total revenue for Q1 '2023	-	-	-	9 694	1	(1 166)	5 522	46 047	60 098	1 965	62 063
Change in CG structure and others			-						-	(139)	(139)
Balance on 31.03.2023	248 906	114 435	(236 753)	24 163	(36)	26 825	(35 609)	1 577 785	1 719 716	31 269	1 750 985



ADDITIONAL INFORMATION

To abbreviated interim consolidated financial statements drafted as at 31 March 2024

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1. INTRODUCTION

COMPANY DETAILS

The head office of Boryszew Spółka Akcyjna is located in Warsaw.

The company is registered with the District Court for the capital city of Warsaw, 12th Commercial Division of the National Court Register under KRS number 0000063824.

The Company's REGON (Business ID) is 750010992 and NIP (tax ID) is 837 000 06 34.

The company is established for an indefinite period of time.

HISTORY

The history of Boryszew S.A. ("Company", "Issuer") dates back to 1911, when the Belgian Society of the Sochaczew Rayon Factory was established. Following the II WW the factory was nationalised. In 1991, as a result of privatisation of the state-owned enterprise Boryszew ERG, a joint stock company Boryszew S.A. with 100% private capital was established.

The Company is listed on the Warsaw Stock Exchange since May 1996.

In 1999 Boryszew S.A., offering a wide range of chemicals (such as Borygo, a widely known coolant) gained a strategic investor, Mr Roman Krzysztof Karkosik.

The new shareholder initiated a dynamic growth of the company. Acquisitions of non-ferrous metals, automotive and steel manufacturing companies combined with their restructuring, mergers and organic growth in sales of Group's companies contributed to a significant improvement in the Group's results.

Boryszew Capital Group is one of the largest industrial groups in Poland, with production facilities on 4 continents, involved in automotive, metals and chemical industry.

The Capital Group employs approximately 8 600 people.

SUPERVISORY BOARD OF BORYSZEW S.A.

From 1 January 2024 and until the date of publication of the report, the following persons were members of the Supervisory Board of Boryszew S.A.:

Ms Małgorzata Waldowska	– Chairperson of the Supervisory Board.
Mr Mirosław Kutnik	– Vice Chairman of the Supervisory Board,
Mr Damian Pakulski	– Secretary of the Supervisory Board,
Mr Jarosław Antosik	– Member of the Supervisory Board,
Mr Janusz Siemienieć	– Member of the Supervisory Board.
Mr Wojciech Zymek	– Member of the Supervisory Board.

MANAGEMENT BOARD OF BORYSZEW S.A.

From 1 January 2024 and on the date of publication of the report, the following persons were members of the Management Board of Boryszew S.A.:

Mr Wojciech Kowalczyk	– President of the Management Board, General Director
Mr Łukasz Bubacz	– Member of the Board of Directors, Chief Investment Officer,
Mr Mikołaj Budzanowski	– Member of the Management Board, Business Development Officer

On 13 May 2024, the Supervisory Board of Boryszew S.A. appointed the Company's Management Board in its current composition for a new, three-year term of office (joint term of office), starting on the date of the Ordinary General Meeting approving the financial statements of the Company for 2023.

2. BASIS FOR REPORT PREPARATION AND ACCOUNTING PRINCIPLES

The information contained in the abbreviated consolidated financial statements for Q1 '2024 has been prepared in accordance with the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information to be published by issuers of securities and conditions for recognising as equivalent information required under the laws of a non-member state (Journal of Laws 2018.757 of 20 April 2018) and International Accounting Standard 34 (IAS 34) "Interim Financial Reporting".

These financial statements were drafted on the basis of International Financial Reporting Standards as approved by the European Union (EU).

Selected financial data in the initial part of the report were converted into EUR as per § 64 of the Regulation of the Minister of Finance of 29 March 2018 (Journal of Laws 2018.757 of 20.04.2018).

Balance sheet items were converted at the exchange rate of the last day of the reporting period and income statement items as well as cash flow statement items - at the average rate of the period.

The accounting principles and calculation methods applied by the Group have not changed in the period covered by these statements, and are presented in detail in the consolidated financial statements for 2023, published on 17 April 2024.

	Average EUR exchange rate in the period	EURO exchange rate as at the last day of period
01.01 – 31.03.2023	4.7005	4.6755
01.01 - 31.12.2023	4.5284	4.3480
01.01 – 31.03.2024	4.3211	4.3009

ACCOUNTING PRINCIPLES

Accounting principles (policy) applied when drafting these mid-year abbreviated consolidated financial statements for the period of 3 months ended on 31 March 2024 are consistent with those applied when drafting annual consolidated financial statements for the financial year ended on 31 December 2023.

Basis of preparation of the consolidated financial statements

These abbreviated quarterly consolidated financial statements have been drafted in accordance with the historical cost principle, except for financial assets measured at fair value through profit or loss or other comprehensive income, assets measured at amortised cost, and financial liabilities measured at fair value through profit or loss. The abbreviated quarterly consolidated financial statements do not cover all information and disclosures to that are required in case of annual financial statements and must therefore be verified in conjunction with the financial statements of Boryszew S.A. for the year ended 31 December 2023, made public on 17 April 2024.

Standards, interpretations and amendments to standards or interpretations effective as of 1 January 2024:

- **Amendment to IAS 1** *Presentation of Financial Statements: Classification of liabilities as short- and long-term liabilities*
The amendment to IAS 1 was published on 23 January 2020, subsequently modified in July 2020 and finally adopted on 31 October 2022. The amendment is applicable to annual periods beginning on or after 1 January 2024.
The amendment redefines the criteria for current liabilities. The change may affect the presentation of liabilities and their reclassification between current and non-current liabilities.
- **Amendment to IFRS 16** *Leases Lease liability in sale and leaseback transactions*
The amendments require the seller-lessee to determine "lease payments" or "revised lease payments" in such a way that the seller-lessee recognises no gain or loss that relates to the right of use retained by the seller-lessee.

The above changes have immaterial impact on the Group's financial data.

New standards and interpretations and amendments to standards or interpretations that have been published but not approved for use in EU countries:

- **Amendments to IFRS 7** *Financial instruments: disclosures: Supplier finance arrangements* and **IAS 7** *Statement of cash flows*
The changes are aimed at increasing transparency on supplier finance arrangements and their impact on liabilities, cash flow and liquidity risk exposure. The amendments supplement requirements already included in IFRS and require entities to disclose additional information related to their contracts, including their impact on liquidity risk. The amendments are effective for annual periods beginning on or after 1 January 2024.
The Group will apply the amendment to the standard in accordance with the date of first application adopted by the EU. The above changes are not expected to affect the financial data.

- Amendments to IAS 21** *The effects of changes in foreign exchange rates: Lack of exchangeability*
The changes will require entities to use a consistent approach to assessing whether a currency can be exchanged for another currency and, when this is not possible, to determine the exchange rate to be used and the disclosures to be made. The amendments are effective for annual periods beginning on or after 1 January 2025.
The Group will apply the amended standard as of 1 January 2025 or later. The above change should not affect the financial data.

RESTATEMENT OF COMPARABLE DATA AND CORRECTION OF ERRORS OF PREVIOUS YEARS

The Group has not restated comparative data in these Quarterly Consolidated Financial Statements.

THE FOLLOWING COMPANIES WERE INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2024:

Company name	Seat	share of the parent in share capital (%)	subsidiary of:	Business segment
<i>Head Offices</i>	Warsaw			Unallocated
<i>Elana Branch</i>	Toruń			Chemical products
<i>Boryszew Energy Branch</i>	Toruń			Unallocated
<i>Maflow Branch</i>	Tychy			Automotive
<i>Boryszew ERG Branch</i>	Sochaczew			Chemical products
Elimer Sp. z o.o.	Sochaczew	52.44	Boryszew S.A.	Chemical products
NPA Skawina Sp. z o.o.	Skawina	100.00	Boryszew S.A.	Metals
Boryszew Green Energy & Gas Sp. z o.o. (formerly: Elana Energetyka Sp. z o.o.)	Toruń	100.00	Boryszew S.A.	Unallocated
Boryszew Maflow Sp. z o.o.	Warsaw	100.00	Boryszew S.A.	Automotive
Maflow Polska Sp. z o.o.	Warsaw	100.00	Boryszew S.A.	Automotive
Maflow BRS s.r.l	Italy	100.00	Boryszew S.A.	Automotive
Maflow Spain Automotive S.L.U	Spain	100.00	Boryszew S.A.	Automotive
Maflow France Automotive SAS.	France	100.00	Boryszew S.A.	Automotive
Maflow do Brasil Ltda	Brazil	100.00	Boryszew S.A. (79%) Maflow Polska Sp. z o.o. (21%).	Automotive
Maflow Components Dalian Co. Ltd.	China	100.00	Maflow Polska Sp. z o.o.	Automotive
Maflow India Private Limited	India	100.00	Boryszew S.A. 99.99% Maflow Polska Sp. z o.o. 0.01%	Automotive
MAFMEX S.DE R.L.DE C. V (*)	Mexico	100.00	Maflow Spain Automotive S.L.U (3.34%), Maflow Polska Sp. z o.o. (96.66%) (*)	Automotive
Boryszew Automotive Mexico S.DE R.L.DE C. V	Mexico	100.00	Maflow Spain Automotive S.L.U (90.00%), Maflow Polska Sp. z o.o. (10.00%)	Automotive
Boryszew Automotive Plastics Sp. z o.o.	Tychy	100.00	Maflow Polska Sp. z o.o.	Automotive
Boryszew Components Poland Sp. z o.o.	Toruń	100.00	Boryszew Automotive Plastics Sp. z o.o.	Automotive
Boryszew HR Service Sp. z o.o.	Toruń	100.00	Boryszew S.A.	Automotive
Boryszew Commodities Sp. z o.o.	Warsaw	100.00	Boryszew Automotive Plastics Sp. z o.o.	Automotive
ICOS GmbH in bankruptcy under self-administration	Germany	100.00	Boryszew Automotive Plastics Sp. z o.o.	Automotive
Theysohn Kunststoff GmbH in bankruptcy under self-administration	Germany	100.00	ICOS GmbH in bankruptcy under self-administration	Automotive

Company name	Seat	share of the parent in share capital (%)	subsidiary of:	Business segment
Theysohn Formenbau GmbH in bankruptcy under self-administration	Germany	100.00	ICOS GmbH in bankruptcy under self-administration	Automotive
Boryszew Formenbau Deutschland GmbH	Germany	100.00	Boryszew Kunststofftechnik Deutschland GmbH	Automotive
Boryszew Kunststofftechnik Deutschland GmbH	Germany	100.00	Boryszew Automotive Plastics Sp. z o.o.	Automotive
Boryszew Oberflächentechnik GmbH	Germany	100.00	Boryszew Kunststofftechnik Deutschland GmbH	Automotive
Boryszew Deutschland GmbH in liquidation	Germany	100.00	Boryszew Automotive Plastics Sp. z o.o.	Automotive
AKT Plastikářská Technologie Čechy, spol. S.r.o.	Czech Republic	100.00	Boryszew Automotive Plastics Sp. z o.o.	Automotive
Boryszew Plastic RUS Sp. z o.o.	Russia	100.00	Boryszew S.A. (10.9%). Boryszew Kunststofftechnik Deutschland GmbH (89.1%)	Automotive
Maflow Plastics Poland Sp. z o.o.	Ostaszewo	100.00	Boryszew S.A.	Automotive
Boryszew Inwestycje Sp. z o.o. (formerly: Boryszew Holding Sp. z o.o.)	Warsaw	100.00	Boryszew S.A.	Metals
Boryszew Assets Sp. o.o. (formerly: SPV Lakme Investment Sp. z o.o.)	Warsaw	100.00	Boryszew S.A.	Unallocated
Walcownia Metali Dziedzice S.A.	Czechowice-Dziedzice	100.00	Boryszew S.A.	Metals
ZM SILESIA S.A.	Katowice	100.00	Boryszew S.A.	Metals
Baterpol S.A.	Katowice	100.00	Polski Cynk Sp. z o.o.	Metals
Alchemia S.A.	Warsaw	100.00	Boryszew S.A.	Metals
Huta Bankowa Sp. z o.o.	Dąbrowa Górnicza	100.00	Alchemia S.A.	Metals
Laboratoria Badań Batory Sp. z o.o.	Chorzów	100.00	Alchemia S.A.	Metals
Polski Cynk Sp. z o.o.	Katowice	100.00	Boryszew S.A.	Metals
Boryszew Property Sp. z o.o. (formerly: Eastside Capital Investments Sp. z o.o.)	Warsaw	100.00	Boryszew S.A.	Unallocated
Baterpol Recycler Sp. z o.o.	Oława	100.00	Polski Cynk Sp. z o.o.	Metals
Metal Zinc Sp. z o.o.	Katowice	100.00	ZM Silesia S.A.	Metals
Boryszew Nieruchomości Sp. z o.o. (formerly: Eastside BIS Sp. z o.o.)	Warsaw	100.00	Boryszew Property Sp. z o.o.	Unallocated
Zakład Utylizacji Odpadów Sp. z o.o.,	Konin	59.97	Boryszew S.A.	Metals
RAPZ Sp. z o.o. (**)	Dąbrowa Górnicza	42.67	Huta Bankowa Sp. z o.o.	Metals
"onesano" S.A. (***)	Chorzów	42.50	Boryszew S.A.	Unallocated
AGICORP-BOR Sp. z o.o. (****)	Oświęcim	25.00	Boryszew S.A.	Unallocated

(*) Maflow Spain Automotive S.L.-3.34%, 1 share worth 100 MXN 100 votes; Maflow Polska Sp. z o.o.- 96.66%, 1 share worth 2 900 MXN 2 900 votes; Boryszew S.A. - 239 398 865.86 series B shares - without voting rights. .

(**) RAPZ Sp. z o.o., in which the parent company holds a 42.67% equity interest, is valued in these consolidated financial statements using the equity method.

(***) "onesano" S.A., in which the parent company holds a 42.50% equity interest, is valued in these consolidated financial statements using the equity method.

(****) AGICORP-BOR Sp. z o.o. has not commenced operations.

COMPANIES THAT WERE NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Company name	Seat	share of the parent company in capital (%)	share in votes (%)	Core activity
Elana Ukraina Sp. z o.o.	Ukraine	90	90	dormant company
Brasco Inc	the US	100	100	dormant company
Zavod po pererabotke vtorichnykh resursov "Vostochny" Sp. z o. o.	Belarus	30	30	trade, production of secondary raw materials

For practical reasons they were excluded from the consolidation and the applied simplification is not material to the total consolidated financial statements and the assessment of the financial standing of the Group (pursuant to articles 29 and 30 of Framework for the Preparation and Presentation of Financial Statements).

Apart from the above-mentioned companies, the Issuer holds no other significant capital investments.

3. DESCRIPTION OF PERFORMANCE OF BORYSZEW GROUP IN Q1 '2024 INCLUDING FACTORS AND EVENTS WITH SIGNIFICANT IMPACT ON THE FINANCIAL RESULT

ACHIEVED PROFIT/LOSS

A. OVERALL MACROECONOMIC SITUATION

Market (segments and geographical structure) of the Boryszew Capital Group ("Group", "BCG"):

Structure of revenues by segments, PLN '000					Geographical structure of revenues, PLN '000				
	1Q 2024		1Q 2023			1Q 2024		1Q 2023	
Chemical products	41 427	3.1%	66 509	4.0%	Poland	529 740	39.3%	575 879	34.2%
Automotive	420 402	31.2%	472 549	28.1%	Germany	245 451	18.2%	347 098	20.6%
Metals	718 906	53.3%	1 044 179	62.1%	Other EU countries	437 862	32.4%	628 221	37.4%
Other *	168 609	12.4%	98 265	5.8%	Other *	136 291	10.1%	130 304	7.8%
TOTAL	1 349 344	100.0%	1 681 502	100.0%	TOTAL	1 349 344	100.0%	1 681 502	100.0%

* this item includes consolidation exclusions between segments

Market sentiment - PMI and GDP:

Since more than 94,5% of revenues at Boryszew Capital Group is generated in Europe, then the overall economic situation within the European Union (mainly in Germany) is critical for Group's performance.

In the first half 2023 growth was boosted by consumption, rising in the face of falling inflation, and investment, supported by the absorption of EU funds. An economic slowdown is evident in the second half of 2023 and the first half of 2024. Most experts expect an increase in economic growth only in the second half of 2024.

The average values of the PMI index, which determines the level of industrial activity for the Euro zone including Poland and Germany, were at a lower level compared to the same period last year.

PMI	1Q 2024	1Q 2023
EU	46.4	47.8
Poland	47.7	48.1
Germany	43.3	46.1

In Poland PMI was at a level lower than in the corresponding period of the previous year - however still below the 50-point "crisis" level, i.e. 47.7 points (with the reading of 48.1 points in Q1 2023). The manufacturing PMI index, which depicts industry sentiment, is still at a low level. The downturn has slowed somewhat, however.

The average values of the PMI index, which determines the level of activity in industry in the Euro zone and Germany were at a significantly lower level than in the same period of the previous year. Weak industrial performance is now evident in most European Union countries, however, importantly, the weakening in Poland is less than in the Euro zone.

March PMI data suggest a continuing recession in Euro zone industry, although signs could be seen of a positive trend building, as both production and new orders recorded smaller and smaller declines.

Companies expect that domestic consumption will nevertheless take off again in 2024, which will at the same time compensate for the lack of new orders from abroad. Analysts expect economic growth in the second half of 2024.

Forecast of GDP growth for Poland	2024	2025
NBP	3.5%	4.2%
World Bank	3.0%	3.4%
European Commission	2.7%	3.2%

In its forecast (February 2024), the European Commission expects Poland's GDP to grow by 2.7% in 2024. According to its analysis private consumption will be the main driver of growth, supported by rising real wages, additional social support from the government and expiring huge inflationary pressures. Public consumption will also contribute significantly to economic growth through new additional fiscal support measures. The NBP, in its March 2024 forecast, expects GDP growth in 2024 to 3.5%. According to the World Bank forecasts, the Polish economy will grow by 3.0% in 2024, up from the previously projected 2.6%.

According to World Bank experts, capital expenditure will be an important driver of economic growth. They are expected to grow owing to, among other things, funds from the European Union and structural reforms being implemented that will improve the investment climate.

A World Bank report shows that the growth prospects for the Polish economy in 2024-25 are better than those of many other countries in Europe and Central Asia. For the ECA region as a whole (Europe and Central Asia), growth is forecast at 2.8% in 2024 and 2.7% in 2025. Poland is thus expected to grow well above average.

In 2024, the decline in the rate of price increases observed for most of 2023 is expected to continue, which will help reduce the negative impact on the group's operations and thus improve its performance.

Market sentiments - sales of cars:

Another important parameter with an impact on the dynamics and results of the Group is the sale of cars (the Automotive segment accounts for over 31.2% of Group's turnover).

According to ACEA data, the passenger car market in Europe in Q1 2024, grew by 4.9% year-on-year (down 2.8% in March 2024 alone).

The main customer of the Automotive Segment, the Volkswagen Group, recorded a 1.1% increase in car sales in the European market after the first three months of 2024 (compared to the same period last year); despite only a slight increase, it still remains the market leader among automakers in Europe.

For the automotive industry in Poland, last year went down as a very favourable year financially.

While premium brands sold very well in 2023, demand for mass brands was limited by the crisis and the uncertain economic situation holding back consumer purchasing decisions. More interest in city cars and compact cars is expected this year.

More cars available without long waiting periods, lowering transaction prices, better financing terms - 2024 is expected to bring favourable changes to the Polish automotive market, both for buyers as well as importers and dealers.

Market sentiment - basic products of the Metals segment and prices of basic raw materials:

Since nearly 53,3% of Boryszew CG sales is in the metals industry segment, Group's performance is exposed to fluctuations in average prices of metals quoted on the London Metal Exchange (LME). The hedge policy for metal price and exchange rates, followed by the Group, has a significant effect on risk reduction. However, the level of income and working capital still remain sensitive to the volatility of these commodity prices.

The situation on the market of one of the basic products of this Segment - aluminium wire rod and aluminium alloys - is very good. Wire rod is used in production of wires, cables and wires. In particular the segment of overhead conductors and wires records a continuous increase in demand of several percent. NPA Skawina is the only manufacturer of the above mentioned products in Poland.

Globally, crude steel production in the world after the first quarter of this year, compared to the same period last year, increased by about 3%. This growth is very uneven, for example, globally and in Asia there have been large increases, while EU countries have seen significant declines. Globally, some stabilisation can be seen, and unfortunately the situation in Europe as a whole still remains difficult due to production costs (regulations) and the influx of cheap product from China.

During the reporting period the average prices of the four basic metals fell by respectively: 21.6% zinc, 8.2% aluminum, 5.4% copper and 3.0% lead.

Metal prices in PLN fell by respectively: 28.7% zinc, 16.4% aluminum, 13.9% copper, and 11.8% lead, as a consequence of the decline in demand and the strengthening of PLN.

Key industrial metals such as copper, aluminum, nickel and zinc are now much cheaper than at the peak of last year's trading. World Bank experts expect these raw materials to become noticeably more expensive this year. The demand for metals is expected to increase significantly, as such will be the needs of global economic development and the green energy transition.

Market sentiments - significant currency pairs

Due to the fact that transactions are mainly closed in foreign currencies, the impact of foreign exchange rates is of great importance. The level of US dollar and Euro rates has an impact on revenues of the Group, as it is linked to metal rates, which are the major component of product price. The factor stabilising the achieved results are transactions hedging the purchase prices of aluminium, zinc and copper, as well as, in part, the natural hedging, which is the quoting of products based on current quotations of raw materials.

The level of currency quotations is important for the Group, due to the predominance of processing margins which are denominated in this currency.

During the period under review, PLN strengthened against USD by 9.0% and against the Euro by 8.0%, which affected the quotations of basic metals expressed in PLN.

In the first quarter of 2024, the EUR/USD exchange rate stood at 1.09, about 1.1% higher than in the same period last year.

PLN rates in 2024 should be stabilised by the prospect of economic improvement in our country.

The geopolitical situation in the world remains tense all the time, and the end of this year will bring the most important events in the world - the elections in the United States, which are sure to increase volatility to the currency market.

Detailed information on the above key parameters (daily average metal prices and exchange rates) are presented in the table below:

	1Q 2024	1Q 2023	% change
Aluminium [USD]	2 200	2 395	(8.2%)
Copper [USD]	8 444	8 927	(5.4%)
Zinc [USD]	2 449	3 124	(21.6%)
Lead [USD]	2 076	2 140	(3.0%)
	1Q 2024	1Q 2023	% change
EUR/PLN	4.32	4.70	(8.0%)
USD/PLN	3.99	4.39	(9.0%)
EUR/USD	1.09	1.07	1.1%
	1Q 2024	1Q 2023	% change
Aluminium [PLN]	8 781	10 510	(16.4%)
Copper [PLN]	33 707	39 171	(13.9%)
Zinc [PLN]	9 778	13 709	(28.7%)
Lead [PLN]	8 288	9 392	(11.8%)

Source: Daily listings of LME, NBP

VOLUME OF SALES

The first quarter of 2024 saw a decrease in the sales volume of the Metal Segment compared to the previous year (22.5 thousand tonnes), mainly due to Hutmen and Alchemia Group (a decrease of 18.8 thousand tonnes in total), due to the economic slowdown and strong competition from China.

The Chemicals Segment also recorded a decrease 1.8 thousand tonnes, a 20.6% reduction compared to the same quarter last year.

in thousand tonnes	1Q 2024	1Q 2023	change
Volume of sales, including:	84.0	108.3	(24.3)
Metals Segment	77.1	99.6	(22.5)
Chemicals segment	6.9	8.7	(1.8)

ACHIEVED FINANCIAL RESULTS

Boryszew Capital Group

Revenues from sales / Demand for Group's products

The revenues of Boryszew Group after 3 months of 2024 amounted to PLN 1 349.3 million, 19.8% lower than the level in the same period last year.

The Group's sales revenues by segment are as follows:

in PLN million	1Q 2024	1Q 2023	Difference
Revenues from sale, including:	1 349.3	1 681.5	(332.2)
Automotive Segment	420.4	472.5	(52.1)
Metals Segment	718.9	1 044.2	(325.3)
Chemicals segment	41.4	66.5	(25.1)
Other Operations Segment	168.6	98.3	70.3

* including consolidation adjustments

The Automotive Segment saw a decrease in revenue, compared to the same period of 2023, mainly due to the strengthening of PLN (most of the segment's revenue is denominated in foreign currencies) and lower sales of electric cars.

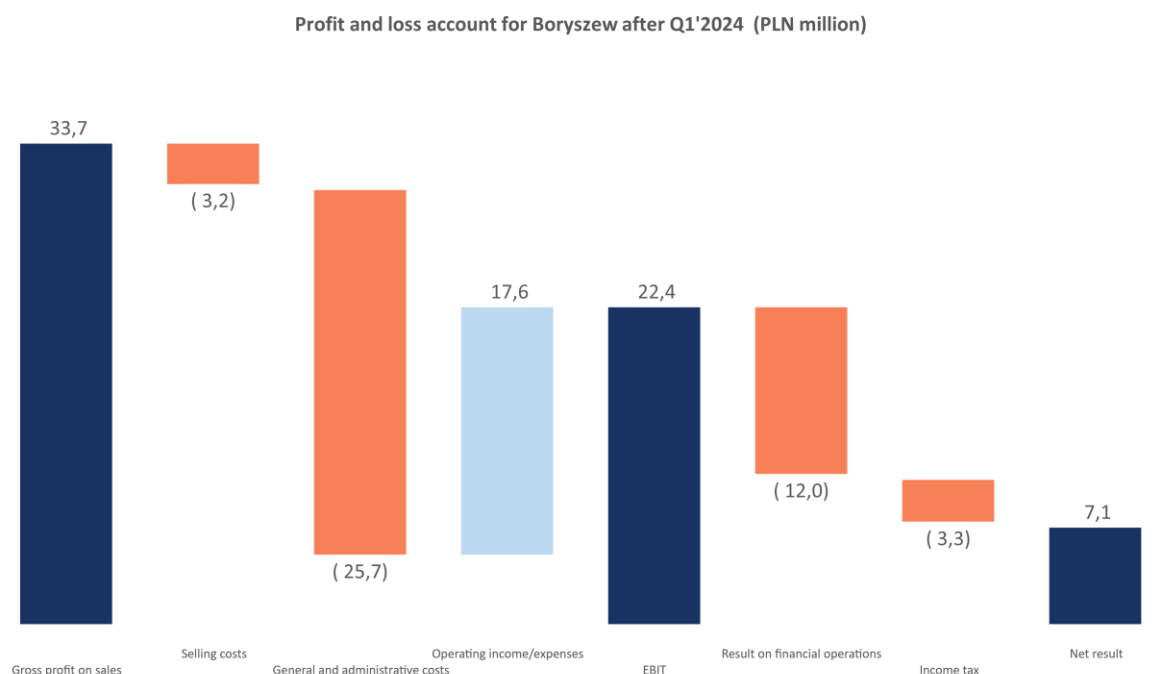
The Metals Segment experienced a decline in revenues in almost all companies (except for ZUO and ZM Silesia). This is mainly due to the decline in metal quotations, the economic slowdown, competition from large groups of non-ferrous metal product manufacturers in Europe, and the replacement of copper alloy products with cheaper products (plastics). The highest decline was recorded for steel.

The Chemicals segment recorded lower revenues, compared to the same period of the previous year, mainly due to lower sales volumes and lower sales of Boryszew ERG branch, Chemistry Department.

In the Other Segment the increase in revenues was influenced by the acquisition of new customers by Boryszew Energy branch.

Boryszew S.A.

The chart below compiles components of the profit and loss account of Boryszew S.A. after the first quarter of this year.



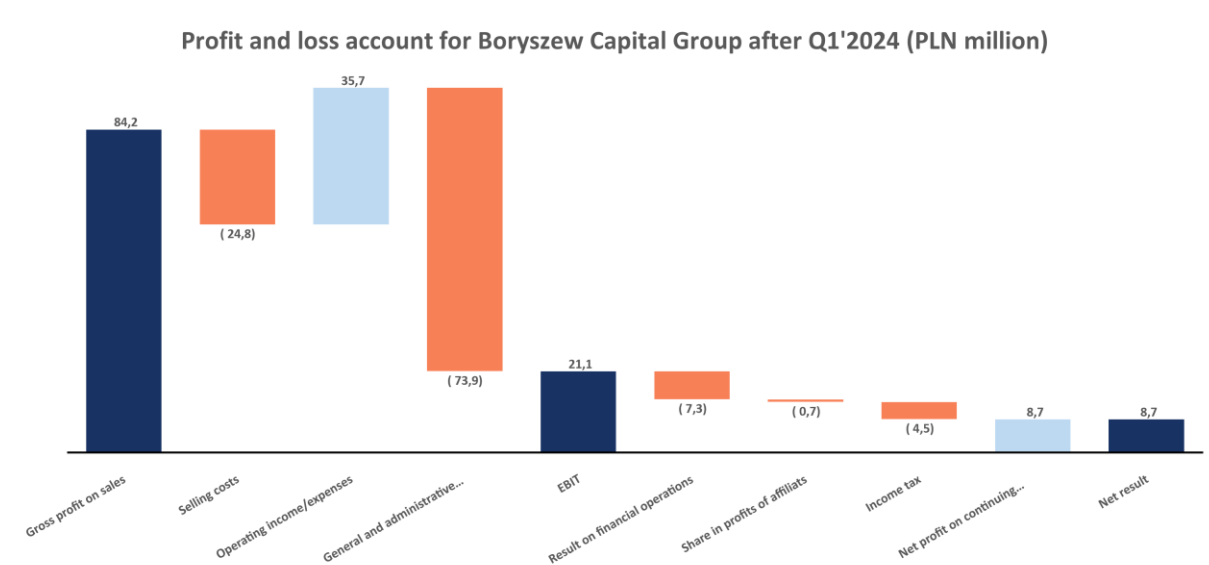
Gross profit on sales after the first quarter of 2024 amounted to PLN 33.7 million and was lower by PLN 10.6 million than the result in the corresponding period of the previous year. Average gross margin on sales went up from 8.4% in 2023 to 7.2% today. Costs of sales were lower by PLN 1.7 million, or by 34.8% against the same period of the previous year. General and administrative expenses were also lower by PLN 1.7 million, or 6.2%, compared to costs in the first three months of 2023.

The balance of operating income/expenses amounted to PLN 17.6 million, up by PLN 14.9 million compared to the same period in 2023, mainly due to sales and property revaluations.

The balance of other financial income/costs amounted to minus PLN 12.0 million and was lower by PLN 8.6 million compared to the same period of the previous year.

Boryszew Capital Group

The chart below compiles components of the profit and loss account after the first quarter of this year.



The gross result on sales after 1 month 2024 amounted to PLN 84.2 million and was lower by PLN 54.1 million against the result for the corresponding period of the previous year. The decline in gross profit is a result of weaker results mainly in steel. Average gross margin on sales went up from 8.2% in 2023 to 6.2% today.

Costs of sales were lower by PLN 10.3 million, or by 29.4% against the same period of the previous year. General and administrative expenses were higher by PLN 3.5 million, i.e. 5%, compared to the same period of 2023. The balance of operating income/expenses amounted to PLN 35.7 million and it was PLN 24.8 million higher as compared to the same period of 2023.

The result on financial operations amounted to minus PLN 7.3 million and was down by PLN 6.2 million compared to the same period of the previous year.

OPERATING RESULTS BY SEGMENTS

Boryszew S.A.

After the first three months of 2024, EBITDA of Boryszew S.A. on continuing operations amounted to PLN 33.2 million, compared to PLN 25.2 million in the same period last year. In relevant operating segments, the EBITDA result was as follows:

in PLN million	1Q 2024	1Q 2023	change
EBITDA, including:	33.2	25.2	8.0
Automotive Segment	19.5	23.3	(3.8)
Chemicals segment	1.3	2.1	(0.8)
Other *	12.4	(0.2)	12.6

* including consolidation adjustments

EBITDA increased year-on-year mainly due to the sale and revaluation of investment properties (Other).

In the Automotive Segment, EBITDA is at a slightly lower level than in the same period last year due to a lower rate and product mix.

The lower y/y result in the Chemicals Segment is mainly due to significantly lower volumes and sales prices.

Boryszew Capital Group

After the first three months of 2024, EBITDA on continuing operations amounted to PLN 60.4 million, compared to PLN 100.4 million in the same period last year.

In relevant operating segments, the EBITDA result was as follows:

in PLN million	1Q 2024	1Q 2023	change
EBITDA, including:	60.4	100.4	(40.0)
Automotive Segment	12.2	8.5	3.7
Metals Segment	33.4	88.7	(55.3)
Chemicals segment	1.2	2.2	(1.0)
Other *	13.6	1.0	12.6

* including consolidation adjustments

1. Automotive Segment

Higher EBITDA in the Automotive Segment is mainly the result of optimisation efforts at BAP Group companies.

2. Metals Segment

The EBITDA result in the Metals Segment, which was lower than last year, is mainly attributable to steel, due to weakening demand for steel products in Europe while sales volumes decreased.

3. Chemicals segment

The decline in EBITA for the Segment is due to lower volumes and sales prices.

4. Other

Results of companies in the Others Segment are at a much higher level compared to the same period of the previous year mainly as a result of sale and revaluation of investment property.

NET PROFIT/LOSS

Boryszew S.A.

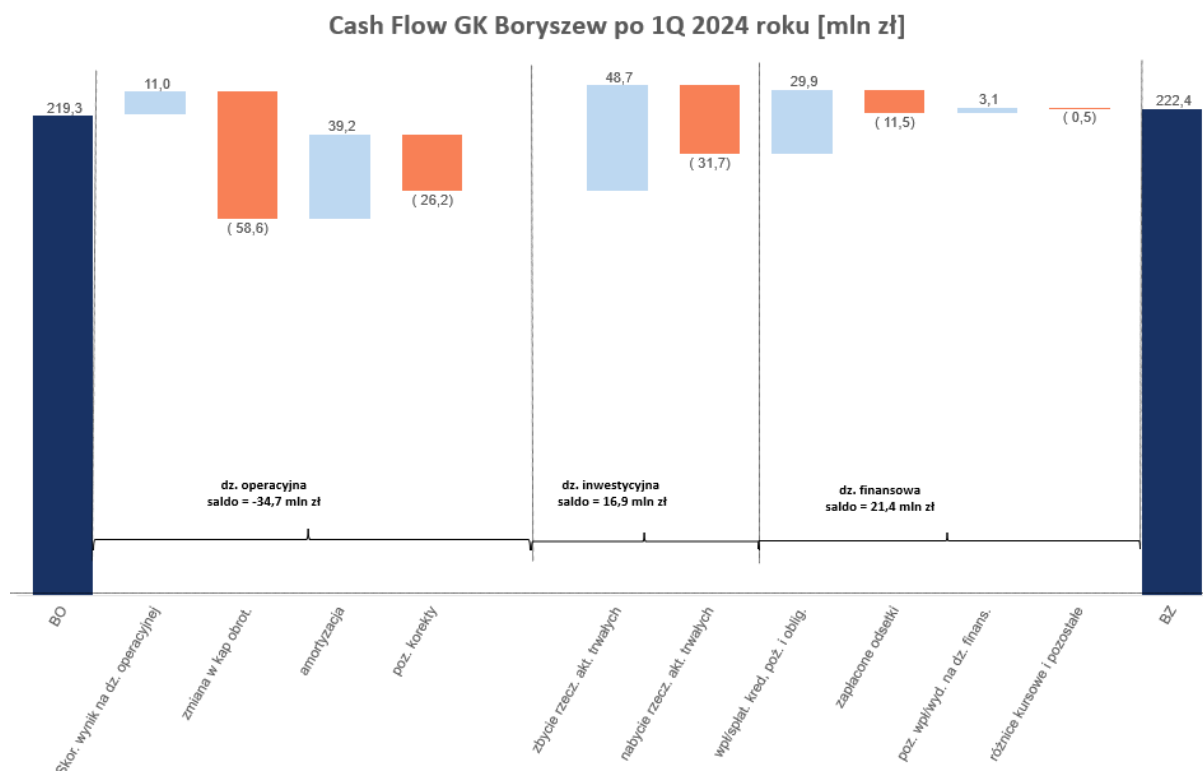
Net result of Boryszew S.A. for the first quarter of 2024 amounted to PLN 7.1 million and is higher than in the same period of the previous year by PLN 0.5 million.

Boryszew Capital Group

The total net result including continued and discontinued operations amounted to PLN 8.7 million and was lower than the result after the same period of the previous year by PLN 39.2 million, while the net result attributable to shareholders of the parent company amounted to PLN 6.4 million - lower than last year's result by PLN 39.6 million.

A. CASH FLOW

Cash flows for January-March 2024 are presented in the chart below:



After the first quarter of 2024 Boryszew Group generated negative cash flows from operating activities in the amount of PLN 34.7 million, which mainly came from an increase in receivables.

The positive balance of flows from investing activities (PLN 16.9) million is due to the sale of property in France.

The positive balance from financing activities (PLN 21.5) million was mainly due to the use of loans.

After the first three months of 2024 net debt of Boryszew Capital Group amounted to PLN 539 million and was higher by PLN 31.9 million compared to the end of the previous year.

The net debt/EBITDA ratio in the first three months of 2024 was 1.6 and is 0.3 higher than that at the end of 2023 (1.3) (where: - net debt = interest liabilities – cash and cash equivalents - loans granted; while interest liabilities = long-term liabilities + short-term liabilities (from loans, credits, leases))

The Management Board positively evaluates the achieved financial results for 3 months of 2024, in all significant aspects. The current financial potential of the Boryszew Group as well as safe debt and liquidity ratios, in the opinion of the Management Board, indicate a strong ability to meet its obligations. The Management Board monitors the debt and liquidity situation on an ongoing basis so that, in the event of a significant deterioration in these indicators, they can respond appropriately to the causes and consequences of the situation.

4. NOTES ON THE SEASONALITY OF THE COMPANY'S BUSINESS IN THE REPORTED PERIOD

Boryszew Capital Group is exposed to seasonality only to a limited extent.

In the Automotive segment seasonality affects holiday months as well as December, when production of cars falls considerably, causing also a fall in component orders.

In the Metal Segment, seasonality affects the range of products sold for the construction sector, which include:

- brass condenser pipes used for district heating, manufactured by WM Dziedzice S.A.,
- zinc-titanium roofing sheets and zinc wire manufactured by ZM SILESIA S.A.

The peak in sales of these products for the construction sector is recorded the second and third quarter, which is predominantly influenced by weather conditions, suitable for construction works, as well as the economic situation in the construction industry. Other products of this segment are not exposed to seasonality.

In the segment of Chemical products seasonality affects a certain range of products manufactured by Boryszew ERG, Branch of Boryszew S.A. in Sochaczew. This range includes cooling fluids for the automotive segment (with peak sales in the third and fourth quarter, shifting to the beginning of the first quarter), de-icing fluids for runways and aircraft (with peak sales in the fourth and first quarter).

No specific seasonality is observed for other products of the Capital Group.

5. INCOME AND PROFITS/LOSSES BY CONTINUING ACTIVITIES SEGMENTS OF AS FROM THE BEGGINING OF THE CURRENT YEAR

Boryszew Capital Group operates in three industry segments.

OPERATING SEGMENTS

Automotive	Boryszew S.A. Oddział Maflow w Tychach, Maflow Spain Automotive S.L.U., Maflow France Automotive S.A.S., Maflow BRS s.r.l., Maflow Components Dalian Co. Ltd., Maflow do Brasil Ltda., Boryszew Automotive Mexico S.DE R.L.DE C.V., MAFMEX S.DE R.L.DE C.V., Maflow Polska Sp. z o.o., Maflow India Private Limited, Boryszew Automotive Plastics Sp. z o.o., ICOS GmbH in bankruptcy under self-administration, Theysohn Kunststoff GmbH in bankruptcy under self-administration, Theysohn Formenbau GmbH in bankruptcy under self-administration, Boryszew Kunststofftechnik Deutschland GmbH, AKT Plastikářská Technologie Čechy, spol. S.r.o., Boryszew Formenbau Deutschland GmbH, Boryszew Oberflächentechnik Deutschland GmbH, Boryszew Plastic Rus Ltd., Maflow Plastics Poland Sp. z o.o., Boryszew Deutschland GmbH in liquidation, Boryszew HR Service Sp. z o.o., Boryszew Maflow Sp. z o.o.
Metals	WM Dziedzice S.A., ZM Silesia S.A., Baterpol S.A., Polski Cynk Sp. z o.o., NPA Skawina Sp. z o.o., Baterpol Recycler Sp. z o.o., Metal Zinc Sp. z o.o., Alchemia S.A., Huta Bankowa Sp. z o.o., Laboratoria Badań Batory Sp. z o.o., Zakład Utylizacji Odpadów Sp. z o.o., RAPZ Sp. z o.o.,
Chemical products	Boryszew S.A. Oddział Elana, Boryszew S.A. Oddział Boryszew ERG, Elimer Sp. z o.o.

Other companies not assigned to segments are: Boryszew S.A. – Head Office, Boryszew S.A. Boryszew Energy branch, Boryszew Green Energy & Gas Sp. z o.o., Boryszew Inwestycje Sp. z o.o., Boryszew Nieruchomości Sp. z o.o., Boryszew Assets Sp. z o.o., Boryszew Property Sp. z o.o., "onesano" S.A.

REVENUES FROM SALE BY DESTINATION MARKET

	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
Sales revenues by geographical areas		
Continuing operations		
Domestic sales	529 740	575 879
Sales to EU countries	683 313	975 319
Sales to other European countries	61 871	58 273
Export outside Europe	74 420	72 031
Total (revenues from continuing operations)	1 349 344	1 681 502

SHARE OF EU MEMBER STATES IN INTRA-COMMUNITY SALES

Share of EU member states in intra-Community sales:	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
Germany	36%	36%
Czech Republic	20%	19%
Italy	8%	6%
Spain	7%	4%

REVENUES AND RESULTS BY OPERATING SEGMENTS IN QUARTER 1 OF 2024
(data regarding continuing operations)

Continuing operations 01.01.2024 - 31.03.2024	Chemical products	Automotive	Metals	Other non-allocated	Total	exclusions between segments	Total
Revenues from sales	41 427	420 402	718 906	223 694	1 404 429	(55 085)	1 349 344
Segment costs of sales	33 766	388 778	681 960	213 645	1 318 149	(53 037)	1 265 112
Result on sales within segment	7 661	31 624	36 946	10 049	86 280	(2 048)	84 232
General, administrative and sales expenses	7 937	42 215	42 462	7 341	99 955	(1 215)	98 740
Other operating profit/loss	24	1 307	22 736	10 869	34 936	714	35 650
Segment profit/loss	(252)	(9 284)	17 220	13 577	21 261	(119)	21 142
Amortisation/depreciation	1 455	21 473	16 139	1 506	40 573	(1 377)	39 196
EBITDA *)	1 203	12 189	33 359	15 083	61 834	(1 496)	60 338
Segment assets	182 594	1 569 302	2 294 434	1 862 801	5 909 131	(2 061 900)	3 847 231
Segment liabilities	105 719	2 195 907	680 081	305 014	3 286 721	(1 081 238)	2 205 483

Continuing operations 01.01.2023 - 31.03.2023	Chemical products	Automotive	Metals	Other non-allocated	Total	exclusions between segments	Total
Revenues from sales	66 509	472 549	1 044 179	223 303	1 806 540	(125 038)	1 681 502
Segment costs of sales	57 854	443 948	946 601	217 980	1 666 383	(123 259)	1 543 124
Result on sales within segment	8 655	28 601	97 578	5 323	140 157	(1 779)	138 378
General, administrative and sales expenses	10 051	46 160	44 278	5 916	106 405	(844)	105 561
Other operating profit/loss	2 291	3 018	19 811	1 784	26 904	(2 091)	24 813
Segment profit/loss	895	(14 541)	73 111	1 191	60 656	(3 026)	57 630
Amortisation/depreciation	1 300	23 045	15 591	2 944	42 880	(96)	42 784
EBITDA *)	2 195	8 504	88 702	4 135	103 536	(3 122)	100 414
Segment assets	206 161	1 588 009	2 485 538	2 056 392	6 336 100	(2 135 849)	4 200 251
Segment liabilities	128 486	2 173 476	845 865	345 307	3 493 134	(1 043 868)	2 449 266

*) EBITDA = operating profit less depreciation expense

6. DIVIDEND PAID OR DECLARED IN THE PERIOD FROM THE BEGINNING OF THE YEAR

On 17 April 2024, the Management Board of Boryszew S.A. made a decision to submit to the next General Meeting of Boryszew S.A. a motion to pay a dividend in the amount of PLN 0.44 per share entitled to dividend, or in the total amount of PLN 90 290 200, from the Company's supplementary capital, which, according to the provisions of art. 348 § 1 of the commercial companies code may be assigned for distribution. The proposed amount of dividend to be distributed to shareholders is in line with the Company's published dividend policy, and moreover, the payment of dividend in the amount proposed by the Management Board will not jeopardise the achievement of the Group's strategic goals.

Under art. 364 § 2 of the Commercial Companies Code, the Company does not exercise participation rights from own shares, except for the right to sell them or perform actions aiming at preservation of these rights. The Company's own shares are not eligible for dividends. On the date of publication of this report, the Company holds 34 795 000 own shares.

On 17 April 2024 the Company's Supervisory Board approved the Management Board's proposal. On 22 April 2024 the Management Board of Boryszew S.A. resolved to apply to the General Meeting of Shareholders to set the dividend date as 27 May 2024, and the dividend payment date as 4 June 2024. The final decision on the payment of dividends will be made by the General Meeting of Boryszew S.A., convened for 20 May 2024.

7. INFORMATION CONCERNING THE ISSUE, REDEMPTION AND REPAYMENT OF NON-SHARE AND EQUITY SECURITIES

NON-EQUITY SECURITIES

The Group issued no non-equity securities in Q1 2024 and up to the date of the report.

REDEMPTION OF BONDS ISSUED BY BORYSZEW S.A.

On the date of publication of the Financial Statements Boryszew S.A. has no liabilities under bond issue.

BONDS OF BORYSZEW S.A.

On the date of publication of the Financial Statements Boryszew S.A. has no liabilities under bond issue.

EQUITY SECURITIES

In Q1 2024 and until the date of publication of the report, the Company issued no equity securities.

CAPITAL INVESTMENTS

For summary of consolidated and unconsolidated shares refer to point 2 of the report.

REAL PROPERTY

On 27 March 2024 the Company signed a conditional agreement with its subsidiary Zakład Utylizacji Odpadów Spółka z o.o. for the sale of an undeveloped land located in Konin, surface area app. 1.7 hectares, for a net price of PLN 3.5 million. The agreement was conditional on the municipality of Konin not exercising its statutory pre-emptive right. The transfer agreement was concluded on 10 April 2024.

In Q1 2024 and until the date of publication of the report Boryszew S.A. acquired no other significant real estate.

Maflow France Automotive S.A.S based in Chartres (France)

On 26 February 2024 Maflow France Automotive S.A.S, a subsidiary, based in Chartres, concluded with the city of Chartres (Purchaser), a final sale agreement for a developed land located in Chartres, av. Gustave Eiffel No. 2, surface area 10 hectares, for a price of PLN 45.15 million (EUR 10.5 million). The property was released on the same day. The sale price was paid in March 2024.

Boryszew Nieruchomości Spółka z o.o.

On 26 February 2024, Boryszew Nieruchomości Spółka z o.o. signed a preliminary agreement to sell the investment property located in Warsaw at Grzybowska 61, for the amount of PLN 6.3 million net, with the date of the final agreement until 30 November 2024.

NPA Skawina Spółka z o.o.

In Q1 2024, NPA Skawina Spółka z o.o. acquired the right of perpetual usufruct of a developed real estate in Skawina, surface area 0.2796 hectare, together with the ownership of a building - a hall, located on it, being a separate object of ownership from the land, for a net price of PLN 4.7 million.

Boryszew Capital Group holds no other significant investments in securities, financial instruments, intangible assets or real estate outside Boryszew Capital Group.

LOANS GRANTED, REPAID

For information on loans granted by other Group entities refer to point 19 of the report.

8. FACTORS AND EVENTS, IN PARTICULAR THOSE OF UNTYPICAL NATURE, AFFECTING THE FINANCIAL PERFORMANCE IN THE CURRENT PERIOD**IMPACT OF WAR IN UKRAINE ON SITUATION OF BORYSZEW CAPITAL GROUP**

The invasion of the Russian Federation in Ukraine, which began on 24 February 2022, and the resulting sanctions introduced by the EU and the US against the Russian Federation and Belarus are assessed by Boryszew Capital Group as significant developments for the current macroeconomic situation in the country and the world.

Poland's location as a neighboring country to Ukraine additionally affects the current situation in the country also due to direct and close economic contacts, the nature of which has changed due to the ongoing war.

The conflict in Ukraine is affecting changes in the prices of raw materials, products and services; disrupting the supply chain and limiting the market for sales. A summary of the total impact of the war in Ukraine and its effects on the economy will only be possible over a longer time horizon, but after two years of conflict, it can be summarised that the violent behaviour of the markets after the outbreak of the conflict has been extinguished to some extent.

The situation in the energy market has been calmed down, supplies from the Russian Federation have been replaced by other alternatives (new suppliers and increasing our own power generation capacity, which correlates with the EU's Green Deal policy). However, the effects of the surge in energy prices are being borne so far, as can be clearly seen in the higher level of inflation, which has exceeded the inflation targets of the central banks of the various European countries.

Due to the sanctions imposed, trade with the Russian Federation almost froze.

Spending on the defense industry has increased, and further increases are expected in this sector, which could also be an opportunity for the industry in the long term.

Boryszew Capital Group identified the following key risks in the first quarter of 2024, resulting directly or indirectly from the current situation in Ukraine, which are also likely to be significant in the following year:

- high level of interest rates, which affects external financing prices,
- logistical disruption of the supply of raw materials and components for production,
- unfavourable changes in currency exchange rates,
- changes in the price of CO₂ emission rights,
- lower level of profitability of the investments made,
- uncertainty about price changes.

In the first quarter of 2024 no disruptions to the Group's operations occurred resulting from the war in Ukraine; the risks described above were mitigated by the proactive actions of Group companies and decisions of the Board of Directors. In addition, by active participation in Green Deal activities, the Group seeks to guide companies through the energy transition, which will allow for greater independence from the availability and price of energy resources, which, with an undoubtedly positive impact on the environment, will further decouple the Group from the negative impact of some of the risks described above.

At the same time, importantly, the Group's asset is its diversification, both in terms of geography (production plants are located on different continents), product range, customers and supply chain. With this structure, the Group has greater flexibility to the volatility of the global situation.

The Management Board believes that on the day of publication no risk exists of significant impact of the conflict on operating activity and going concern of Boryszew Capital Group. No adjustments have been made to reflect this in this report.

IMPACT OF OTHER FACTORS ON THE SITUATION OF BORYSZEW CAPITAL GROUP

Major one-off factors and unusual events having a significant impact on the results of Q1 2024 should include:

- continued downward trend in demand in Europe,

- influx of cheap products from Asia,
- continued high levels of inflation and interest rates,
- invasion on Ukrainian territory,
- lack of demand for steel products, as a continuation of the situation from the second half of 2023,
- slower pace of car electrification,
- supply chain disruptions caused by EU energy policy requirements and global armed conflicts
- cost of the energy transition.

9. FACTORS THAT WILL AFFECT THE COMPANY'S FINANCIAL PERFORMANCE FOR AT LEAST THE UPCOMING QUARTER

External factors that will affect the consolidated results of subsequent quarters include:

- availability and cost of key energy carriers and gas, particularly in the energy-intensive metal processing industry and in chemistry,
- duration and scale of the armed conflict in Ukraine and the risk of escalation,
- the duration and scale of the armed conflict between Israel and Palestine,
- potential and existing armed conflicts in the world,
- global economic situation, especially in the key sectors (motorization and construction) as well as in the main sales markets (the European Union, including Germany).
- interest rate levels.
- inflation levels,
- monetary policy of the National Bank of Poland, which has an impact on inflation and rules of granting financing by the banking sector,
- availability of feedstock,
- demand for new cars, especially for products of the VW Group, which is the most important customer of the Boryszew Capital Group,
- supply chain disruptions,
- legislation in energy prices (in the European Union and in Poland),
- costs of adapting production processes to the environmental requirements of the European Union (particularly the non-ferrous metals industry),
- the cost of the energy transition,
- level of metal quotations determining the amount of working capital and effectiveness of export and domestic sales,
- higher economic protectionism in international trade, resulting in restrictions to access markets,
- insufficient investment limiting growth potential,
- costs of raw materials, including in particular scrap prices and the amount of the metal premium,
- volatile commodity prices,
- PLN exchange rate against foreign currencies; due to the significant share of export sales, which in effect affects the level of margins earned in PLN,
- prices of crude oil and, as a consequence, prices of organic chemicals derivatives - plastics and components for the production of plastic parts for cars in injection moulding technology,
- volatility of tax law regulations and stricter attitude of fiscal authorities during tax audits.
- inconsistency and unpredictability of regulation,
- a change in consumer sentiment that could curb household demand for durable goods,
- unfavourable demographic structure,

Internal factors significant for the Group's performance in future periods include the following:

- the effect of obtaining new contracts in the Automotive Segment,
- implementation of the Group's new strategy,
- the effects of optimising production processes in all market segments,
- increase in the efficiency of the Automotive Segment operations as a result of BAP Group restructuring (in addition, an important event is the bankruptcy filing of two German companies April 2024),
- development of new business segments associated with energy transition,
- implementation of investments in upgrading production technologies and in fixed assets necessary for new contracts,
- adapting production processes to the requirements arising from the energy transition,
- availability of employees on the labour market, especially in the Silesian agglomeration.

According to estimates by different institutions, Poland's economic growth in 2024 will be higher than in 2023. Wage growth is expected to slow down, which will be related to the decline in inflation, among other factors. Private consumption growth, on the other hand, will increase.

Fixed capital expenditure in 2024 should see a decline to 2.4% y/y, while investment levels should be much higher in 2025 (which will also be linked to access to cheaper financing, which should result from falling interest rates).

Average annual inflation should decelerate, but will still be above the inflation target at the end of 2024. PLN is expected to strengthen against the euro and the dollar.

At the moment, it is very difficult to estimate the impact of the war in Ukraine and the possibility of a potential escalation of armed conflicts on the economy and on global markets especially in the long term. Any forecasts should be treated as one of many possible scenarios, not as predictions presented with full conviction.

Regarding Maflow Group, as well as Boryszew Automotive Plastics Group, previous disruptions caused by the pandemic and severed supply chains as a result of the war in Ukraine have been replaced by new ones. The unstable economic and political situation in Europe has the effect of increasing prices for components and utilities as well as transport costs due to the exclusion of supply sources located in war zones. Due to the ongoing war and sanctions imposed on Russia, the fixed assets of Boryszew Plastic Rus Ltd have been written off.

The Management Board of Boryszew keeps a close look at market trends in the industry and will make decisions concerning the operation on the automotive market on ongoing basis.

10. MOVEMENTS IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS AS WELL AS ESTIMATED DATA

Contingent liabilities

	Balance on 31.03.2024	Balance on 31.12.2023	change
Sureties for the repayment of loans and other liabilities by associated companies	85 004	83 216	1 788
Liability for tax risks on proceedings at ZM SILESIA S.A.	38 788	35 551	3 237
Potential liability under concluded contract	15 053	15 218	(165)
Total	138 845	133 985	4 860

	Balance on 31.03.2024	Balance on 31.12.2023	change
Contingent liabilities	85 004	83 216	1 788
resulting from granted guarantees, sureties and other liabilities	85 004	83 216	1 788
- guarantees and sureties associated with performance of contracts	85 004	83 216	1 788
- guarantees and sureties in favour of financial institutions	-	-	-
Increases / decreases in the period of 3 months ended on 31.03.2024, including:			1 788
Additions			2 589
- Increase due to valuation of sureties			-
- Increase in surety amount			2 589
Reductions			(801)
- Reduction due to valuation of sureties			(801)
- Decrease in the amount of existing sureties due to expiration, reduction			-

The increase in sureties is due to an increase in the guarantee issued to Mafmex S. de R.L. de C.V. for liabilities to Innova Dintel (2.59 million), while the decrease in sureties is due to exchange rate differences.

	Balance on 31.03.2024	Balance on 31.12.2023	change
Contingent assets/ CO2 emission rights	26 586	33 843	(7 257)

The increase in contingent assets as at 31.03.2024 compared to 2023 is due to the change in valuation of the rights held on the reporting date.

The market value of CO2 emission rights held as at 31.03.2024 is PLN 26,6 million [99 814 units x EUR 61.93 (average quote for CO2 emission futures) x 4.3009 (average NBP exchange rate as at 29.03.2024)] The fair value of EUA units received free of charge (remaining as of the reporting date) as at the acquisition date is PLN 39.8 million.

11. FINANCIAL INSTRUMENTS, FAIR VALUE AND ESTIMATED DATA

Financial assets per balance sheet on 31.03.2024

	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Derivatives used for hedges	Financial assets at fair value through other comprehensive income	Carrying value
Shares and stock	-	79		24	103
Trade receivables, factoring	541 131	21 005			562 136
Derivative financial instruments		646	12 557		13 203
Loans granted	17 370				17 370
Other debtors	104 092				104 092
Cash and cash equivalents	222 422				222 422
Total	885 015	21 730	12 557	24	919 326

Financial assets per balance sheet on 31.12.2023

	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Derivatives used for hedges	Financial assets at fair value through other comprehensive income	Carrying value
Shares and stock	-	79	-	23	102
Trade receivables, factoring	398 633	14 828	-	-	413 461
Derivative financial instruments	-	1 088	23 022	-	24 110
Loans granted	17 063	-	-	-	17 063
Other debtors	99 092	-	-	-	99 092
Cash and cash equivalents	219 259	-	-	-	219 259
Total	734 047	15 995	23 022	23	773 087

Financial liabilities on 31.03.2024

	Financial liabilities measured at amortised cost	Financial liabilities measured at fair value through profit or loss	Derivatives used for hedges	Carrying value
Bank loans, factoring, borrowings	711 107			711 107
Derivative financial instruments			- 1 635	1 635
Lease liabilities	50 370			50 370
Right-of-use liabilities	152 430			152 430
Trade and other liabilities	680 124			680 124
Total	1 594 031	-	1 635	1 595 666

Financial liabilities on 31.12.2023

	Financial liabilities measured at amortised cost	Financial liabilities measured at fair value through profit or loss	Derivatives used for hedges	Carrying value
Bank loans, factoring, borrowings	670 362			670 362
Derivative financial instruments		264	4 075	4 339
Lease liabilities	56 040			56 040
Right-of-use liabilities	149 224			149 224
Trade and other liabilities	612 846			612 846
Total	1 488 472	264	4 075	1 492 811

Fair value of financial assets and liabilities valued at fair value on the on-going basis

	Fair value as at		Hierarchy
	Balance on 31.03.2024	Balance on 31.12.2023	of fair value
Financial assets			
Derivative financial instruments	13 203	24 110	Level 2
Financial obligations			
Derivative financial instruments	1 635	4 339	Level 2

Fair value of financial assets and liabilities of the Group not valued at fair value on the on-going basis (but fair value disclosures are required)

	Fair value as at		Hierarchy
	Balance on 31.03.2024	Balance on 31.12.2023	of fair value
Financial assets			
Shares and stock	103	102	Level 3
Borrowings	17 370	17 063	Level 3
Trade and other receivables	666 228	512 553	Level 3
Cash and cash equivalents	222 422	219 259	Level 1
Financial obligations			
Borrowings and loans	711 107	670 362	Level 2
Trade and other liabilities	680 124	612 846	Level 3
Lease liabilities	50 370	56 040	Level 2
Liabilities to SMA and due to right-of-use assets	152 430	149 224	Level 2
Liabilities to SMA - investment property	54 552	54 552	Level 2

Impact of write-offs on assets and provisions on profit/loss

	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
Creation of value impairment write-offs for accounts receivable	(925)	(1 184)
Reversal of write-downs on accounts receivable (-)	437	429
Tangible fixed assets impairment write-offs	(195)	-
Reversal of tangible fixed assets impairment write-offs	82	998
Valuation to fair value of investment properties	12 245	(324)
Creation of provisions	(570)	(884)
Reversal of unnecessary provisions	1 018	658
Total impact on profit/loss	12 092	(307)

Transactions with affiliated entities

	Associates	Personally related entities
in the period 01.01.2024 - 31.03.2024		
Revenues from sales (of products, services, goods)	263	2 113
Purchase of goods and services	2 026	1 730
balance on 31.03.2024		
Trade and other receivables	86	871
Trade and other liabilities	1 015	537

	Associates	Personally related entities
in the period 01.01.2023 - 31.03.2023		
Revenues from sales (of products, services, goods)	284	2 728
Interest income	-	1 748
Purchase of goods and services	2 747	1 174
as at 31.03.2023		
Trade receivables	59	1 252
Loans granted	-	61 635
Bonds purchased	-	21 627
Trade liabilities	1 123	821

12. ORGANISATION OF THE CAPITAL GROUP

BORYSZEW S.A.

Boryszew S.A. is the Parent entity of Boryszew Capital Group. The Group features both domestic and foreign subsidiaries and affiliates. As the Parent company, it performs management and supervisory functions with regard to other companies of the Capital Group.

The core business of the Head Office in Warsaw is management of the Capital Group, and its objective is to increase the Company's goodwill in the long run.

In Q1 '2024 Boryszew S.A. carries out its activity through the following units:

- Maflow Branch in Tychy – manufacturer of tubes for the automotive industry, including mainly air-conditioning tubes, power steering systems and various rubber components. The Branch's assets, constituting the largest productive assets of Maflow Group, were purchased on 10 August 2010.
- Elana Branch in Toruń - manufacturer of polyester fibre and plastics for a wide range of applications. The main products include staples and silicon spheres. Elana Branch was established by merger of Boryszew S.A. and Elana S.A., which took place on 28 January 2005.
- Boryszew ERG Branch in Sochaczew - manufacturer of chemical and construction products. Company's flagship product in "Borygo" coolant,
- Boryszew Energy Branch in Toruń - involved in sales of energy utilities (electricity, gas) for the companies of Boryszew Capital Group and 3rd parties.

STRUCTURE OF BORYSZEW GROUP

Boryszew Capital Group is one of the largest private industrial groups in Poland. In 2005 Boryszew SA seized control of Impexmetal S.A., a company listed at the Warsaw Stock Exchange, a parent company of manufacturing enterprises involved in non-ferrous metals and bearing industry.

In 2010, the Company seized control of the Maflow Group, one of the largest manufacturers of air-conditioning tubes, power steering systems and active suspension systems for automotive industry. It was then that the automotive sector became the key segment of the Group's activity.

In the years 2011-2012, the Company continued its development strategy through acquisitions of automotive companies. In July 2011, the Company signed takeover agreements in respect of two German capital groups (AKT/ICOS – Theysohn) in the plastics processing sector, and in March 2012 share acquisition agreement for shares of YMOS Group, leading European producer of plastic, galvanized and chromium-plated components for the automotive industry. In June 2014 Boryszew S.A. assumed control over Tensho Poland Corporation Sp. z o.o. based in Ostaszewo (currently: Maflow Plastics Poland Spółka z o.o.), a manufacturer of high-quality plastic products.

In 2019, Boryszew Group assumed control over Alchemia Capital Group and the following Alchemia Group companies: Alchemia S.A., Huta Bankowa Spółka z o.o. and Laboratoria Badań Batory Spółka z o.o.

On 5 November 2020 Boryszew S.A. purchased from Impexmetal S.A. shares in Impexmetal Capital Group companies.

On 6 November 2020 Boryszew S.A. sold Impexmetal S.A. to a third party (Gränges AB).

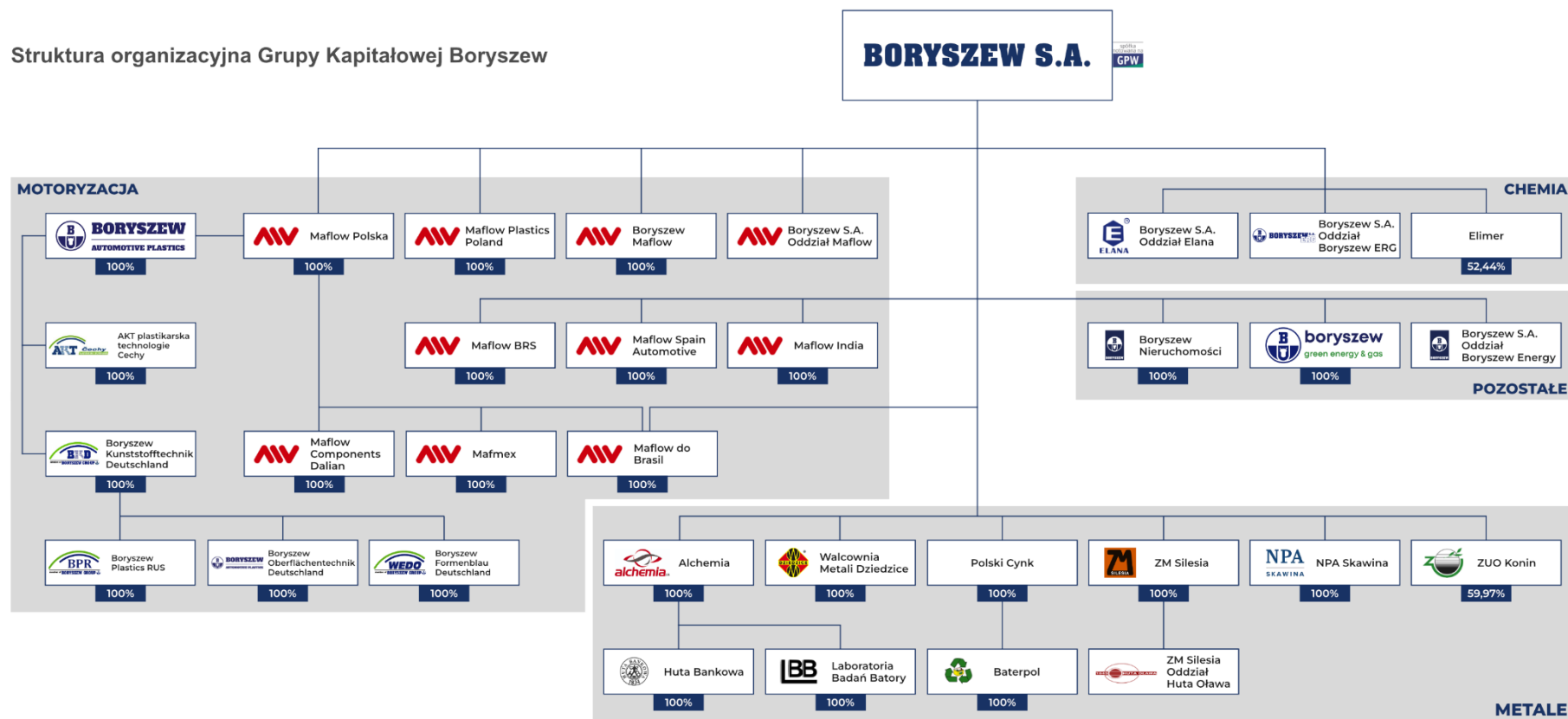
The following companies were sold to third-party investors in 2021: Elana PET Spółka z o.o., based in Toruń and FŁT Polska Spółka z o.o., based in Warsaw, together with FŁT's holdings in subsidiaries, i.e.: FŁT-Wälzlager GmbH, FŁT & Metals s.r.l., FŁT Bearings Ltd, FŁT France SAS, FŁT (Wuxi) Trading Co., FŁT USA LLC.

In 2022, Boryszew S.A. sold Nylonbor Spółka z o.o., based in Sochaczew, to a 3rd party investor.

On 1 January 2023, NPA Skawina Spółka z o.o. launched its operations (until December 31, 2022, operating in the structure of Boryszew S.A. Modern Aluminum Products Skawina Branch)

SIMPLIFIED ORGANISATIONAL CHART OF BORYSZEW CAPITAL GROUP (ON 31 MARCH 2024)

Struktura organizacyjna Grupy Kapitałowej Boryszew





13. THE EFFECTS OF CHANGES IN THE GROUP'S STRUCTURE SINCE THE BEGINNING OF THE YEAR, INCLUDING MERGERS, ACQUISITIONS OR SALES OF SUBSIDIARIES AND LONG-TERM INVESTMENTS, RESTRUCTURING AND DISCONTINUATION OF OPERATIONS

Boryszew S.A.

Merger of Boryszew Automotive Plastics Sp. z o.o. with Boryszew Commodities Sp. z o.o. and Boryszew Components Sp. z o.o.

On 21 March 2024, the District Court of Katowice - Wschód in Katowice, 8th Commercial Division of the National Court Register, registered the merger of Boryszew Automotive Plastics Sp. z o.o. (Acquiring Company) with Boryszew Commodities Sp. z o.o. (Acquired Company 1) and Boryszew Components Poland Sp. z o.o. (Acquired Company 2).

Changes after the balance sheet date:

Boryszew Automotive Plastics Group

Filing bankruptcy petitions with the courts

On 19 April 2024, Boryszew S.A. was notified that on the same day the Management Boards of indirect subsidiaries of Boryszew S.A.: Boryszew Oberflächentechnik Deutschland GmbH and Boryszew Formenbau Deutschland GmbH had decided to file for declaration of bankruptcy of these companies with relevant competent courts. According to the proposal, the application will seek insolvency under administration in accordance with German insolvency law.

Self-managed insolvency enables targeted and controlled restructuring, reduction of costs of winding down operations of unprofitable areas and satisfying creditors of these companies at an optimum level. Furthermore, self-managed insolvency will enable an efficient and transparent conduct of the process towards all stakeholders, which will shorten the time of the process and will have a major impact on maintaining the reputation and image of the Group.

On 22 April 2024 the Management Boards of indirect subsidiaries of Boryszew S.A.: Boryszew Oberflächentechnik Deutschland GmbH and Boryszew Formenbau Deutschland GmbH filed for declaration of bankruptcy of these companies with relevant competent courts.

The aforementioned decision results from the deteriorating situation in obtaining new orders from major customers as well as the lower-than-expected performance of current contracts, which caused major decrease of sales. An additional factor negatively affecting the situation of the aforementioned entities involves high fixed costs in particular for salaries, energy and raw materials. These circumstances, as per relevant assessment, prevent achieving the minimum satisfactory profitability of the business and self-financing of the business by the companies mentioned above in a reasonable time perspective.

Until the date of publication of the financial statements, no other significant changes occurred in the structure of Boryszew Capital Group, except for the events indicated above.

14. POSITION OF THE MANAGEMENT BOARD'S POSITION ON THE POSSIBILITY OF PREVIOUS PREVIOUSLY PUBLISHED FINANCIAL RESULT FORECASTS IN THE CURRENT YEAR

Forecasts of financial result

The Management Board of Boryszew S.A. published no forecasts of the financial result for 2024.

Adoption of the Strategy of Boryszew Capital Group for 2024 - 2028

According to the resolution of the Supervisory Board of Boryszew S.A. of 17 April 2024 on approval of: "Business Strategy for Boryszew Group for 2024–2028" (Strategy), the Company adopted for implementation on the same date an updated development strategy until 2028, assuming, among other things:

1. creation of new business segments in energy storage and circular economy, including but not limited to:
 - a. construction of 5 MW and 50 MW energy storage facilities,
 - b. construction of installation for thermal transformation of waste: municipal and hazardous in Toruń,
 - c. construction of additional facility for thermal transformation of hazardous waste in Konin;
2. continued development of the most profitable products by expanding into new markets and diversifying end customer sectors, including but not limited to:
 - a. in the Automotive Segment: construction of new production capacity (China),
 - b. in the Metals Segment: doubling the production capacity of aluminum conductors and introducing higher value-added products by 2025 (NPA Skawina Spółka z o.o.) plus expanding production capacity of brass alloy products (WM Dziedzice S.A.);
3. maintaining a high year-on-year EBITDA growth rate in 2024-2028 and reaching an EBITDA level of app. PLN 590 million in 2028;
4. ensuring the required liquidity in Boryszew Capital Group through optimisation of resources used;
5. decommissioning low-margin assets in the Chemicals and Metals Segments;
6. utilising 100% net green electricity as of 2030.

Given the remote time perspective and the possibility of occurrence of a number of external factors as well as unpredictability of risk factors resulting from the above, the above presented figures cannot be considered as forecasts for the strategy validity period, but only as an estimation of expected levels of revenues in relevant business areas that Boryszew Capital Group will strive to achieve.

The new Strategy is a response to the rapidly changing market environment and the challenges of the energy transition. The strategy extends the time horizon of the outlined strategic goals indicated in the document "Business Strategy for Boryszew Group for 2022-2026" adopted by the Company in May 2022, and the dynamics of reaching the goals, so formally the Strategy replaces the aforementioned document of May 2022.

15. SHAREHOLDERS HOLDING, DIRECTLY OR INDIRECTLY THROUGH SUBSIDIARIES, AT LEAST 5% OF THE TOTAL NUMBER OF VOTES AT THE GENERAL MEETING OF THE COMPANY AS AT THE DATE OF SUBMITTING THE REPORT

The table below presents Shareholders holding more than 5% of the share capital and of the total number of votes as at 31.03.2024 and the date of submitting the report for publication:

Shareholders	Number of shares	% of capital	Number of votes	% of votes
Roman Krzysztof Karkosik (*)	156 832 020	65.35%	156 832 020	65.35%
including:				
<i>Boryszew S.A. (**)</i>	<i>34 795 000</i>	<i>14.50%</i>	<i>34 795 000</i>	<i>14.50%</i>
<i>RKKK Investments Sp. z o.o.</i>	<i>119 998 000</i>	<i>49.99%</i>	<i>119 998 000</i>	<i>49.99%</i>
Unibax Spółka z o.o. (***)	36 879 055	15.37%	36 879 055	15.37%
Others	46 288 925	19.28%	46 288 925	19.28%
Total	240 000 000	100.00%	240 000 000	100.00%

(*) Mr Roman Krzysztof Karkosik with subsidiaries (as per notification of 1 October 2018).

(**) As per the notification of Boryszew S.A. of 30 October 2020

(***) Unibax Spółka z o.o. as per notification of 3 June 2022.

16. CHANGES IN THE OWNERSHIP STRUCTURE OF SIGNIFICANT BLOCKS OF SHARES IN THE COMPANY SHARE OF VOTES AT THE COMPANY'S GENERAL MEETING OF SHAREHOLDERS IN THE PERIOD FROM THE PUBLICATION OF THE PREVIOUS REPORT

In the period between submitting the report for 2023 to publication on 17 April 2024 and the publication of the report for Q1 2024 on 16 May 2024 no changes occurred in the ownership structure of significant blocks of shares of Boryszew S.A.

Stock incentive program for the Management Board of Boryszew S.A.

On 27 May 2022, the Ordinary General Meeting of Boryszew S.A. decided to adopt a stock incentive program dedicated to the Company's Management Board (the "Incentive Program").

The Incentive Scheme covers fiscal years 2022-2025, namely the aforementioned fiscal years will be evaluated in terms of the criteria and objectives of the Incentive Scheme. Under the Incentive Scheme, rights to purchase a total of up to 4 000 000 (four million) own shares may be granted, however the President of the Management Board of the Company holding their position on the date of adoption of the Resolution, will be granted the right to acquire a total of 2 000 000 (two million) shares, as follows:

- acquisition of up to 50% (fifty percent) of the Own Shares under the Entitlements granted to a Eligible Person is related to the achievement of Market Objective I and may take place only following the achievement of Market Objective I;
- acquisition of up to 50% (fifty percent) of the Own Shares under the Entitlements granted to a Eligible Person is related to the achievement of Market Objective II and may take place only following the achievement of Market Objective II;

The criterion for the acquisition of shares is the achievement of the market target which is:

Market objective I - Company's share price calculated as the average of the closing prices on the Warsaw Stock Exchange over consecutive 7 (seven) trading days shall, by 31 December 2023, reach PLN 10.00;

Market objective II - Company's share price calculated as the average of the closing prices on the Warsaw Stock Exchange over consecutive 7 (seven) trading days shall, by 31 December 2025, reach PLN 20.00.

As of the date of publication of the report, no participation agreements in the program were concluded.

17. COMPANY'S MANAGERS AND SUPERVISORS - CHANGES IN SHARE HOLDING OR SHARE OPTIONS IN THE CURRENT PERIOD SINCE THE SUBMISSION OF THE PREVIOUS QUARTERLY REPORT.

Between the date of submitting the report for 2023 and the date of publication of the report for Q1 2024, the managing and supervising persons made no changes in the ownership of shares or options for shares of Boryszew S.A.

List of the number of shares in Boryszew S. A. or rights to them held by the Management Board and Supervisory Board of the Company.

Management Board of Boryszew S.A.	On the publication date of the previous interim report	Change in holding acquisition / (disposal)	On the publication date of the report
Wojciech Kowalczyk	20 000	-	20 000

Supervisory Board of Boryszew S.A.	On the publication date of the previous interim report	Change in holding acquisition / (disposal)	On the publication date of the report
Małgorzata Iwanejko	30 000	-	30 000

Other managing persons and persons supervising Boryszew S. A. do not hold any shares of the Company or any rights to them, and since the day of submitting the previous interim report no changes have occurred in this respect.

18. MATERIAL PROCEEDINGS BEFORE A COURT, ARBITRATION BODY OR PUBLIC ADMINISTRATION AUTHORITY

Boryszew S.A. and Boryszew Capital Group Companies, as at the date of this report, were not a party to any significant proceedings concerning liabilities or receivables, pending before a court, a competent arbitration authority or a public administration authority.

Tax proceedings in the Capital Group companies

The Group operates in a sector which, due to its specific nature, is particularly exposed to VAT fraud by dishonest contractors. Group companies are subject to various stages of inspection and audit proceedings on the correctness of VAT settlements. Given the above, the Parent Company has taken steps to recognise the risks that could be estimated and are related to the ongoing proceedings.

Proceedings completed at first instance

ZM SILESIA S.A.

- On 12 March 2018, ZM SILESIA S.A. received a decision of the Head of the Customs and Tax Office (Office) in Opole dated 28 February 2018, determining the outstanding VAT liability for 2012 in the amount of PLN 28.6 million plus interest on tax arrears in the amount of PLN 16.0 million. According to the position of the Office, ZM SILESIA S.A. failed to exercise due diligence in verifying the tax reliability of some of its suppliers, who, as it turned out, failed pay the due VAT to the state budget. As a result, ZM SILESIA S.A. should not have reduced its output tax by the input tax shown on invoices issued by dishonest contractors. Due to its different assessment of the facts from that of the inspection bodies, the company appealed against the decision of the Office. On 26 April 2021 the company received the decision of the Head of the Fiscal Administration Chamber in Katowice of 19 April 2021 determining overdue VAT liability of ZM SILESIA S.A. for 2012 in the amount of PLN 28.6 million, plus interest on outstanding tax liability. To secure tax liabilities for 2012, compulsory mortgages were established on part of the Company's land properties. On 29 April 2021 ZM SILESIA received a notice from the Head of the 2nd Fiscal Office in Katowice on the freezing of ZM SILESIA's bank accounts as a security of claims associated with the execution of the Decision On 7 May 2021, the Company's attorney filed a complaint against the decision of the Head of the Fiscal Administration Chamber in Katowice of 19 April 2021 requesting that the decision be revoked in its entirety, claiming that the tax liabilities for the period between January and November 2012 had become time-barred and requesting that the Court suspend the execution of the decision appealed against. On 6 August 2021 the Company received a decision of the Provincial Administrative Court in Gliwice of 26 July 2021 on suspending the execution of the decision of the Head of the Fiscal Administration Chamber on determining VAT liability for 2012. On 8 September 2021, the Provincial Administrative Court notified on the scheduled hearing in the case on the complaint of ZM SILESIA SA against the decision of the Head of the Fiscal Administration Chamber in Katowice of 19 April 2021.

On 27 October 2021 the Provincial Administrative Court issued a judgment revoking in its entirety the decision of the Head of the Fiscal Administration Chamber in Katowice of 19 April 2021. The reason why the Provincial Administrative Court revoked the decision challenged by ZM SILESIA was, primarily, the deficiencies of the tax authority involving the lack of a proper justification of the circumstances and legal grounds for a possible suspension of the statute of limitations for tax liabilities for 2012. Given the crucial importance of the issue of the statute of limitations for the possibility and admissibility of proceedings concerning the assessment of tax liabilities, the court found that the examination and resolution of the remaining disputed issues was premature. The judgment was not final. The parties had the right to file a cassation complaint with the Supreme Administrative Court. Until the judgment of the Provincial Administrative Court becomes final, the repealed tax decision will not be enforceable.

On 28 March 2022 ZM SILESIA S.A. received a decision of 25 March 2022 from the Director of the Fiscal Administration Chamber in Katowice, which revoked in its entirety the decision of the Head of the Customs and Tax Office in Opole of 28 February 2018 determining the outstanding VAT liability for relevant months of 2012 and referred the case for reconsideration by this body.

The Head of the Fiscal Administration Chamber in Katowice, being bound by the assessments and recommendations of the Provincial Administrative Court in Gliwice in the final judgment of 27 October 2021 (case file I SA/GI 791/21), pointed out that it was necessary to re-examine and justify the position of the first instance authority with respect to the tax liability statute of limitations and the circumstances which could possibly extend the statute of limitations, as the previous position of the first instance authority in this respect turned out to be incorrect or incomplete. On 1 June 2022, the tax authority of the first instance - the Customs and Fiscal Office in Opole - reopened audit proceedings in the aforementioned case, which was completed with issuing a tax decision on 29 December 2022 for individual months of 2012 in the unchanged amount of PLN 29 million.

On 16 January 2023, the Company's Attorney filed an appeal against the decision concerned with the Head of the Fiscal Administration Chamber in Katowice. On 30 March 2023, the Director of the Fiscal Administration Chamber in Katowice declared a lack of jurisdiction to consider the appeals and forwarded them, according to jurisdiction, to the Director of the Fiscal Administration Chamber in Warsaw. On 15 June 2023, the Director of

the Fiscal Administration Chamber in Warsaw sent the Company's appeals again to the Director of the Fiscal Administration Chamber in Katowice for handling according to jurisdiction. Ultimately, the existing competency dispute was resolved by the Head of the National Tax Administration. In a letter dated 20 December 2023, ZM SILESIA SA was advised that the Director of the Tax Administration Chamber in Warsaw is competent to hear the appeal. As of the date of publication of the report, the tax proceedings had not been completed.

- On 24 September 2020 ZM SILESIA S.A. received the decision of the Head of the Małopolska Customs and Fiscal Office determining the overdue VAT tax liability for 2013 and 2014 in the amount of PLN 97.3 million plus interest on outstanding tax liability. According to the position of the Office, ZM SILESIA S.A. failed to exercise due diligence in verifying the tax reliability of some of its suppliers, who, as it turned out, failed pay the due VAT to the state budget. As a result, ZM SILESIA S.A. should not have reduced its output tax by the input tax shown on invoices issued by dishonest contractors. Due to its different assessment of the facts from that of the inspection bodies, on 8 October 2020 the company filed an appeal against this decision with the Head of the Fiscal Administration Chamber in Katowice. On 25 November 2021 the company received a decision of the Head of the Fiscal Administration Chamber in Katowice upholding the decision of the authority of first instance. This decision is final. Given the different assessment of the facts, ZM SILESIA lodged a complaint with the Provincial Administrative Court against the above decision.

On 13 December 2021 ZM SILESIA received executive titles from the Head of the Tax Office in Katowice concerning the enforcement of outstanding tax liabilities resulting from the above decision. At the same time ZM SILESIA was notified of the freeze bank accounts as a collateral for claims in the execution of the decision.

On 23 December 2021, ZM SILESIA filed objections to the enforcement proceedings concerning all enforcement titles. The filing of the charges suspended the enforcement proceedings ex officio. At the same time ZM SILESIA received information that the freeze of bank accounts has been released.

On 10 February 2022, ZM SILESIA received the decision of the Provincial Administrative Court in Gliwice of 31 January 2022, according to which the Provincial Administrative Court decided to suspend the execution of the decision of the Director of the Fiscal Administration Chamber in Katowice of 17 November 2021 on VAT for the period from January 2013 to December 2014. The Provincial Administrative Court held that ZM SILESIA had convincingly substantiated that, in the case of tax liabilities for 2013 - 2014, no prerequisites existed justifying the suspension of the execution of the appealed decision of the tax authority based on Art. 61 § 3 and 5 of the Act of 30 August 2021 - Law on proceedings before administrative courts. The decision of the Provincial Administrative Court may be appealed.

In the judgment of 27 April 2022, the Provincial Administrative Court in Gliwice revoked in its entirety the decision of the Director of the Fiscal Administration Chamber in Katowice of 17 November 2021 on the tax on goods and services for the period between January 2013 and December 2014, and granted the applicant company reimbursement of the costs of the proceedings.

On 29 July 2022 the Company received a final ruling with a statement that the ruling of the Provincial Administrative Court in Gliwice became final as of 30 June 2022.

On 9 November 2022 the Company again received a decision from the Director of the Fiscal Administration Chamber in Katowice of 26 October 2022, upholding the appealed decision of the first-instance authority.

On 28 November 2022 the Company's Attorney filed a complaint with the Provincial Administrative Court in Gliwice. On 10 January 2023, the Provincial Administrative Court in Gliwice issued a decision to suspend implementation of the contested decision of the Director of the Fiscal Administration Chamber in Katowice.

On 20 June 2023 the Provincial Administrative Court in Gliwice issued a judgment revoking in its entirety the decision of the Director of the Fiscal Administration Chamber in Katowice of 26 October 2022 and the preceding decision of the Head of the Małopolska Customs and Fiscal Office in Kraków of 24 September 2020 on the tax on goods and services for the period between January 2013 and December 2014, and also discontinued the tax proceedings in entirety, finding that the statute of limitations had expired for all tax liabilities covered by the proceedings concerned.

The court questioned the correctness and effectiveness of the tax authorities' efforts to possibly suspend or interrupt the course of the disputed tax liabilities. The court pointed out, among other things, that the initiation, just before the expiry of the statute of limitations for the earliest tax obligations, of criminal tax proceedings, in which no one was charged, and which ultimately ended in dismissal due to the lack of a criminal act, was instrumental and aimed only at suspending the course of tax obligations, and not at realistically achieving the goals of criminal tax proceedings. Since the statute of limitations on tax liabilities automatically renders further tax proceedings groundless, the Court decided to discontinue the proceedings, since it would be pointless for the tax authorities to review the case again.

On 10 July 2023, the Company received a ruling from the Provincial Administrative Court in Gliwice of 20 June 2023, along with a substantiation. The ruling is not final, the parties have filed cassation complaints with the Supreme Administrative Court.

- On 19 April 2022, ZM SILESIA S.A. received a decision from the Head of the Małopolska Customs and Fiscal Office (Office) in Kraków of 6 April 2022 determining the outstanding VAT liability of ZM SILESIA S.A. (ZM SILESIA) for the first half of 2015 in the amount of PLN 34.9 million, plus interest due for outstanding tax liability. As argued by the Office, ZM SILESIA should not have reduced its output tax by the input tax shown on invoices issued by some contractors who were alleged to have been involved in a chain of transactions with the aim of effecting tax evasion. At the same time, the Office stated that ZM SILESIA had not acted with the so-called 'good faith', which would nevertheless help them maintain the right to deduct input tax despite the occurrence

of tax irregularities at earlier stages of the disputed supplies. The decision concerned is non-final and not enforceable. Due to different assessment of the above circumstances, on 29 April 2022 the Company filed an appeal against the Decision of the Head of Małopolska Customs and Fiscal Office. In a decision of 27 December 2023, the Head of Małopolska Customs and Fiscal Office in Krakow upheld the decision, against which ZM SILESIA SA filed an appeal. Having disagreed with the above ruling, the Company filed a complaint of 26 January 2024 with the Provincial Administrative Court in Krakow. The case is still pending.

Given that the decision of the second instance authority was final on 31 January 2024, and on 21 February 2024, the Company received enforcement titles used in the enforcement of receivables together with notices of seizure of receivables from bank accounts, the Company immediately filed objections to the enforcement proceedings and motions to rescind enforcement actions.

As of 12 February 2024 the first and 1 March 2024 the second, enforcement actions in the form of seizures of receivables from bank accounts were rescinded by the Head of the Second Tax Office in Katowice.

Boryszew S.A. (before merger with Hutmen Spółka z o.o.)

- On 14 February 2018 Hutmen Sp. z o. o. (currently Boryszew S.A.) filed a cassation complaint against the judgment of the Provincial Administrative Court in Warsaw dismissing the company's complaint against the decision of the Director of the Tax Chamber in Warsaw concerning VAT settlement for November 2012. The subject of the dispute is the amount of PLN 548 thousand, which the Company paid and recognised in the result for 2018. On 8 March 2022, a hearing was held before the Supreme Administrative Court, which returned the case to the Provincial Administrative Court for re-examination.
On 21 November 2022, the Provincial Administrative Court revoked the decision of the appeal body, the ruling is not yet final. The Director of the Fiscal Administration Chamber in Warsaw by the decision of 15 May 2023 repealed the decision of the 1st instance body in its entirety and referred the case for re-examination. As of the date of publication of the report, the tax proceedings had not been completed.
- On 3 April 2019, Hutmen Sp. z o. o. (currently Boryszew S.A.) received the decision issued on 26 March 2019 by the Head of the Lower Silesian Tax and Customs Office, which sets out company's VAT arrears for Q4 of 2014 at PLN 3.04 million plus interest on outstanding tax liability. As claimed by the Office, Hutmen Sp. z o. o. failed to observe due diligence in verifying the tax reliability of some of its contractors, and consequently had no right to apply the VAT rate of 0% for the intra-Community supply of goods. Due to its different assessment of the facts from that of the inspection bodies, Hutmen Sp. z o. o. appealed with the Tax Chamber against the decision of the Office. The appeal was recognised and the case was referred back to the Director of the Tax Administration Chamber in Wrocław for further consideration. On 16 November 2020, the company received a decision of the Head of the Lower Silesian Customs and Tax Office in Wrocław, determining again the outstanding VAT liability for Q4 '2014 in the amount of PLN 3.04 million plus interest on outstanding tax liability. On 29 June 2021, the Director of the Fiscal Administration Chamber in Wrocław repealed the decision of the 1st Instance Body in its entirety and referred the case for re-examination. On 16 November 2021, the Fiscal Administration Chamber issued a decision securing the amount of the tax liability. On 2 December 2021, a security deposit was placed in the Office's account. On 20 December 2021, the company again received a decision on the validity of the tax liability. On 3 January 2022, the company filed an appeal against the aforementioned decision. On 2 January 2023 the company received the decision of the Head of the Fiscal Administration Chamber in Wrocław of 27 December 2022, upholding the decision of the 1st instance body, determining overdue VAT liability of Hutmen for Oct-Dec 2014 in the amount of PLN 3.0 million, plus interest on outstanding tax liability. The company filed a complaint with the Provincial Administrative Court against the above decision. As of the date of publication of the report, the Provincial Administrative Court had not ruled on the case.
- On 10 September 2018 Hutmen Sp. z o. o. (currently Boryszew S.A.) received a decision of the Tax Administration Chamber in Wrocław of 4 September 2018, upholding the decision of the 1st instance body, determining the outstanding VAT liability of Hutmen for October and December 2012 in the amount of PLN 1.14 million plus interest on outstanding tax liabilities. As claimed by the Office, Hutmen failed to observe due diligence in verifying the tax reliability of some of its contractors, and as a consequence did not have the right to deduct input VAT. The claim amount was paid in September 2018 and recognised in the company's 2018 results.

Due to its different assessment of the facts from that of the inspection bodies, the company filed a complaint against the decision of the Office to the Provincial Administrative Court in Wrocław. On 13 March 2019 the Provincial Administrative Court issued a decision in favour of Hutmen. The judgement is final. On 3 September 2019 the Director of the Fiscal Administration Chamber in Wrocław repealed fully the decision of the 1st Instance Body in its entirety and referred the case for re-examination by that Body. On 11 December 2019 Hutmen received a refund of the entire amount of the tax in question together with interest. On 12 April 2021, the company received the decision issued on 8 April 2021 by the Head of Mazowiecki Tax and Customs Office, which again sets out company's outstanding VAT for October and December of 2012 at PLN 1.14 million plus interest on overdue tax liability. The decision is not final and is not enforceable. Hutmen appealed against the decision of the Fiscal Administration Chamber. On 7 October 2021 the company received a decision of the Director of the Fiscal Administration Chamber in Wrocław repealing the appealed decision and transferring the

case for reconsideration by the 1st instance body. As of the date of publication of the report, no renewed decision was issued by the authority.

- On 28 December 2020 Hutmen Sp. z o. o. (currently Boryszew S.A.) received a decision of the Head of the Małopolska Customs and Fiscal Office in Kraków of 16 December 2020 determining the outstanding VAT liability of company in the first half of 2015 in the amount of PLN 7.8 million plus interest on outstanding tax liability. As claimed by the Office, the company failed to observe due diligence in verifying the tax reliability of some of its contractors, and consequently had no right to apply the VAT rate of 0% for the intra-Community supply of goods. Due to its different assessment of the facts from that of the inspection bodies, Hutmen Sp. z o. o. appealed with the Fiscal Administration Chamber against the decision of the office. The Director of the Fiscal Administration Chamber in Wrocław repealed the decision of the 1st Instance Body in its entirety and referred the case for re-examination. On 14 October 2021, Hutmen received a decision of the Head of the Małopolska Customs and Fiscal Office in Kraków ("Decision") securing future VAT liabilities for the period January 2015 - June 2015. On 22 October 2021 a security deposit in the amount of PLN 11.723 thousand was established on the account of the Fiscal Office following the decision of 14 October 2021 on Hutmen's assets the state budget liabilities associated with pending customs and fiscal proceedings. On 23 December 2021, the Head of the Małopolska Customs and Fiscal Office in Kraków again issued a decision on the validity of the tax liability, which was appealed by the company. On 2 January 2023 the company received the decision of the Head of the Fiscal Administration Chamber in Wrocław of 28 December 2022 determining overdue VAT liability of Hutmen for H1 2015 in the amount of PLN 7.8 million, plus interest on outstanding tax liability. The company filed a complaint with the Provincial Administrative Court against the above decision. On 29 February 2024, the Provincial Administrative Court revoked the appealed decision and the preceding decision of the first instance authority. The ruling is not final.

Boryszew S.A. Branch Boryszew ERG

On 12 April 2021 the Company received a notification from the Head of Mazovian Tax and Customs Office in Warsaw on the initiation of VAT settlements audit for the period December 2015 - March 2016.

On 3 August 2022, the Company received an Audit Result following the audit of tax books, in which the Head of Mazovian Tax and Customs Office in Warsaw stated that Boryszew ERG Branch had failed to exercise due diligence in documenting transactions, which was recognised by the Authority as irregularities in the settlement of the tax on goods and services. The Head of the Mazovian Customs and Fiscal Office in Warsaw questioned, in the Audit Result submitted to the Company, the right to apply 0% rate in intra-Community deliveries of goods to foreign entities and indicated that, given the facts, these deliveries should be taxed at 23% rate of the tax on goods and services in the period between December 2015 and March 2016 in the amount of PLN 9 817 220. According to the National Revenue Administration Boryszew S.A. also wrongfully deducted input VAT from invoices issued for the purchase of rapeseed oil, in the period December 2015 to March 2016, thereby overstating it by a total amount of PLN 12 435 798.

The total amount of the overdue the tax for the above transactions was PLN 22 253 018 plus interest due.

Despite the entitlement of Boryszew S.A. to correct the submitted declarations within 14 days of the date of delivery of the audit result, the Company challenged these findings in the tax proceedings.

On 29 August 2022, the Company received a notice that the customs and tax audit had been transformed into a tax procedure.

On 10 November 2023, the Company received a decision of the Head of the Mazovian Customs and Fiscal Office ("Office") in Warsaw, of 27 October 2023, determining the Company's outstanding VAT liability for the period December 2015 to March 2016 in the amount of PLN 23.03 million plus interest due for overdue tax. According to the position of the Office, the Company should not have reduced its output tax by the input tax shown on invoices issued by some contractors who were alleged to have been involved in a chain of transactions with the aim of effecting tax evasion. At the same time, the Office stated that Company had not acted with the so-called 'good faith', which would nevertheless help them maintain the right to deduct input tax despite the occurrence of tax irregularities at earlier stages of the disputed supplies.

In addition, the Office questioned the Company's right to apply a 0% VAT rate to intra-Community supply of goods transactions, resulting in these transactions being subject to a 23% VAT.

For the tax risk arising from the aforementioned proceedings the Company recognised a provision in 2022 in the amount of PLN 30.3 million.

The decision in question is non-final and not enforceable. Given the different assessment of the above circumstances, the Company filed an appeal against the above decision of the Authority.

On 20 December 2023, the Company paid the principal amount of the liability, i.e. PLN 23 034 553, together with interest in the amount of PLN 18 964 384, to the account of the relevant tax office, resulting from the decision of the Head of the Mazovian Customs and Fiscal Office in Warsaw of 27 October 2023.

As of the date of publication of the report, the Company had not received a decision from the appeals authority.

BATERPOL S.A.

On 3 October 2016, a VAT tax inspection by the Head of the First Silesian Tax Office in Sosnowiec began in

Baterpol SA, based on Article 79 section 2 item 2 of the Act on freedom of economic activity. The inspection was concluded with a protocol (of 26 October 2018), on the basis of which the Company recognised a provision in the results for 2018. Following the aforementioned tax inspection, on 20 March 2019, the Head of the First Silesian Tax Office in Sosnowiec initiated VAT proceedings for the period December 2013 to December 2015. On 17 January 2023, the decision issued in the case of 4 January 2023, determining the amount of tax liability for the months of March to October 2014, December 2014, January to March 2015, May 2015 and June 2015, and determining the amount to be paid under Art. 108(1) of the VAT Act for the months of April to August 2014, October 2014, December 2014, January to March 2015 and June 2015, was delivered.

The procedure involving the remaining issues was discontinued. The company made a payment of PLN 3.3 million to the tax authority, following the decision, at the same time releasing the provision for this purpose in full. The Company's attorney filed an appeal against the decision to the extent where it determines the Company's tax liabilities and the amount to be paid under VAT Act Art. 108(1) On 29 November 2023 the higher-instance authority (Head of the Fiscal Administration Chamber in Katowice) issued a decision upholding the decision of the first-instance authority in the appealed part. A complaint was filed with the Provincial Administrative Court against the decision in January 2024. The case is still pending.

Other significant pending VAT proceedings in the Capital Group companies

Apart from the inspection proceedings described above, the Capital Group companies are subject to audit proceedings which are at an initial stage (pending decisions). These proceedings may result in a negative stance of the authorities towards the Company, however this risk is difficult to estimate.

Other pending VAT tax proceedings:

- On 12 March 2019 the Head of the Lower Silesian Tax Office in Wrocław sent Baterpol Recycler Sp. z o.o. a notice of initiation of an investigation by the Regional Prosecutor's Office in Katowice, on 1 April 2016, into a tax offence suspending the period of limitation of company's tax liabilities for the period between January 2014 and June 2015.
- On 3 August 2023, the Head of the Tax Office in Olawa forwarded a notice to Baterpol Recycler Sp. z o.o. that, due to the initiation of proceedings in a fiscal offence case, on 15 February 2023 the statute of limitations for VAT liabilities for the period between 1 October 2013 and 30 September 2016 was suspended.

Due to the fact that there is a risk of instituting new controls that might potentially result in issuing decisions determining tax liabilities of these companies, the Management Board of the Parent Company analysed documentation relevant for the ongoing procedures and estimated risks by classifying them according to the likelihood of emergence:

- a. probable risk** (high risk) - a high probability of negative tax consequences (negative consequences are more probable to occur than not),
- b. possible risk** (medium risk) - risk of negative tax consequences, however, their occurrence or not is not equally probable,
- c. potential risk** (low risk) - some risk of negative tax consequences, but this risk is less probable than probable.

The Group recognised provisions for tax risks following pending proceedings, taking into consideration the probability of an unfavourable outcome of the proceedings.

As estimated by the Management Board, the amount of this provision was recognised up to the possible outflow of resources from the Group, with the maximum being the net value of assets of relevant subsidiary and sureties granted to it.

In the case of an unfavourable scenario of the pending court proceedings in tax matters, as described above, the subsidiary will likely go bankrupt, and then the outflow of resources from the Group will be up to the value of relevant subsidiary's net assets lost as a result of bankruptcy and the equivalent of the sureties granted to that subsidiary.

The balance of provisions for all tax risks in the consolidated financial statement of Boryszew S.A. on the balance sheet date ended on 31 March 2024 is PLN 146 169 thousand (high risk). Furthermore, the Group recognises contingent liabilities in the amount of PLN 38 788 thousand (medium or low risk).

The Management Board of Boryszew S.A. estimated the provisions considering the probability of cash outflow from the Group and chose leave such provisions out in cases where the probability of cash outflow is low.

The Management Board of Boryszew S.A. cannot exclude that in the event of new circumstances, the estimation of risks described above may change.

Other important proceedings in companies of Boryszew S.A. Capital Group

- On 22 October 2020 the President of the Office of Competition and Consumer Protection initiated proceedings against Boryszew S.A. due to the company's excessive delays in meeting its cash obligations in the period June-August 2020. On 20 July 2023, the Company received a notice of completion of the evidence hearing in the case, along with the preliminary position of the President of the office, but not yet being a decision on the merits of the case.
On 25 August 2023, the Company received a decision imposing a fine for late payment of monetary dues in the amount of PLN 2 832 593.77. The Company's Attorney filed an appeal against the decision of the Office of Competition and Consumer Protection. The anticipated date of closing the case: 28 June 2024.
- The Economic Crime Department of the Regional Police Headquarters in Krakow is conducting pre-trial proceedings for an act under PC Art. 286 and others, supervised by the Regional Prosecutor's Office in Krakow file ref. RP 1 Ds 9.2018 upon notification of Boryszew S.A. against Tacon Sp. z o.o. and Q 77 s.r.o. filed on 17 January 2018. The case is pending.
- Boryszew S.A. (cases concerning the former NPA Branch):
 - a lawsuit by SILKADA LTD, Cyprus for the payment of \$333 988.93 with incidental receivables. The case concerns the collection of receivables under purchase agreements that the company then Nowoczesne Produkty Aluminiowe "Skawina" Sp. z o.o., whose legal successor is Boryszew S.A., concluded in 2009 with SH TRADE, s.r.o., Košice. It is essential to determine whether or not payment of receivables was satisfied, following transfers to the bank account of Komerční banka Bratislava, a.s. under the registered pledge of receivables. The court of first instance dismissed the lawsuit.
 - lawsuit by Boryszew S.A. for payment of USD 462 802.52 with incidental receivables from Komerční banka, a.s., for possible unjust enrichment, conducted in the Second District Court in Košice.

Both cases involve claims associated with collaboration with SH Trade s.r.o, based in Slovakia.

19. CONCLUSION BY THE COMPANY OR ITS SUBSIDIARY OF ONE OR MORE TRANSACTIONS WITH RELATED PARTIES

Transactions between subsidiaries mainly include commercial transactions concluded between companies of the Capital Group with regard to sale or purchase of traded goods and products of typical, conventional nature for the Group's operations.

Also, standard liquidity management measures at the level of the Capital Group involved cash loan agreements between Group's companies. These transactions were intra-group in nature and are excluded from the process of consolidation of financial statements.

Other non-commercial transactions concluded between related parties (outside Boryszew Capital Group)

No other non-commercial transactions between related parties (outside Boryszew Group) occurred in Q1 2024.

20. INFORMATION ON BREACH OF MATERIAL PROVISIONS OF A CREDIT OR LOAN AGREEMENT, IN RELATION TO WHICH NO REMEDIAL ACTIONS WERE TAKEN UNTIL THE END OF THE REPORTING PERIOD

As at 31 March 2024 no overdue liabilities occurred due to borrowings and loans and no breach occurred of material provisions of borrowing and loan agreements.

21. INFORMATION ON GRANTING BY THE COMPANY OR ITS SUBSIDIARY OF LOAN OR BORROWING SURETIES OR GUARANTEES – JOINTLY TO A SINGLE ENTITY OR ITS SUBSIDIARY, IF THE TOTAL VALUE OF THE EXISTING SURETIES OR GUARANTEES IS MATERIAL
SURETIES GRANTED BY BORYSZEW S.A. AS AT 31.03.2024 TO COMPANIES OF THE GROUP

Guarantees disclosed in Boryszew S.A. separate financial statements include guarantees and suretyships granted to companies of the Group.

Sureties granted to Group companies in the balance sheet liabilities section of the consolidated report were excluded from the Group's statement of sureties.

Guarantees and sureties as at 31.03.2024

Entity on whose behalf the surety or guarantee was issued	Entity for which guarantee or surety was issued	Value of guarantee	Expiry date of guarantee
MAFMEX S. de R.L. de C.V.	Mafmex's performance bond for AB Volvo	21 505	term of the agreement
	Mafmex's rent payment bond to Innova Dintel	11 889	01.01.2030
	BMW AG performance bond	25 805	contract period + 15 years
Mafflow Components Dalian Co Ltd.	BMW AG performance bond	25 805	contract period + 15 years
Total		85 004	

Guarantees and sureties as at 31.12.2023

Entity on whose behalf the surety or guarantee was issued	Entity for which guarantee or surety was issued	Value of guarantee	Expiry date of guarantee
MAFMEX S. de R.L. de C.V.	Mafmex's performance bond for AB Volvo	21 740	term of the agreement
MAFMEX S. de R.L. de C.V.	Mafmex's rent payment bond to Innova Dintel	9 300	01.01.2030
MAFMEX S. de R.L. de C.V.	BMW AG performance bond	26 088	contract period + 15 years
Mafflow Components Dalian Co Ltd.	BMW AG performance bond	26 088	contract period + 15 years
Total		83 216	

**Boryszew Capital Group**

Abbreviated interim consolidated financial statements for the period between 1 January and 31 March 2024 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

SIGNIFICANT CHANGES IN THE CONDITIONS OF THE SURETY GRANTED BY COMPANIES OF BORYSZEW CAPITAL GROUP

Sureties and guarantees are granted by Boryszew Capital Group Companies on arm's length basis.

22. OTHER INFORMATION THAT IS RELEVANT FOR THE EVALUATION OF ITS HUMAN RESOURCES, FINANCIAL POSITION, FINANCIAL PERFORMANCE AND CHANGES THEREOF AS WELL AS INFORMATION RELEVANT FOR THE EVALUATION OF THE CAPACITY TO MEET OBLIGATIONS

In the reporting period no other events occurred than described that would be significant for the assessment of human resources, property, financial standing, financial result and the Capital Group's ability to meet its obligations.

23. ADDITIONAL INFORMATION**BORYSZEW S.A.****Capital investment of Boryszew SA**

The Management Board of Boryszew S.A. decided on an equity investment in shares of Repono AB. Repono is a European energy storage operator based in Sweden. According to its investment plans, Repono intends to be an operator of energy storage systems(ESS) with a target capacity of 100 GWh in Europe. Purchase of shares in Repono by Boryszew is related to Boryszew Group's plans to develop its activities in the energy sector and is an important element of the company's active green transformation.

Write-offs of the value of financial assets of Boryszew S.A. in separate financial statements and consolidated financial statements for 2023

On 20 March 2024 the Management Board of Boryszew S.A. decided to recognise a write-off on financial assets in the form of loans and trade receivables granted by the Issuer to indirect subsidiaries Boryszew Oberflächentechnik Deutschland GmbH and Boryszew Formenbau Deutschland GmbH in the total amount of about PLN 72.8 million. In addition, the Company's Management Board decided to recognise a write-off on fixed assets in Boryszew Oberflächentechnik Deutschland GmbH in the total amount of PLN 44.3 million in the consolidated financial statements for 2023.

The aforementioned companies are not a party to the restructuring agreement with a key customer of the Boryszew Automotive Plastics Group mentioned below.

Boryszew Capital Group**Signing of a new restructuring agreement with a key client of BAP Group**

On 14 March 2024 Issuer's subsidiaries of the automotive segment received a signed agreement ("Agreement") with an important client of Boryszew Capital Group Automotive Plastics ("Client").

The agreement is for the Client to support the restructuring of the following companies between 2024 and 2026: Boryszew Kunststofftechnik Deutschland GmbH, Maflow Plastics Poland Spółka z o.o. and AKT Plastikářská Technologie Čechy spol. S.r.o. ("BAP Companies").

According to the Agreement, during the restructuring period, i.e. until the end of 2026, the client will contribute to the costs associated with the restructuring through an agreed price increase on the BAP Companies products.

The Issuer believes that the conclusion of the Agreement will have a significantly positive impact on the results of BAP Companies and Boryszew Capital Group and will enable BAP Companies to achieve a positive operating result on the EBITDA level during the Agreement period.

The agreement is effective as of 1 January 2024 and the condition for the BAP Companies to receive support is timely implementation of restructuring measures in accordance with a plan.

The basic assumption of the Agreement is that BAP Companies and the Client act jointly and severally. The restructuring process will give BAP Companies operational stability and will improve their market position.

Conclusion of an investment loan agreement with Bank Gospodarstwa Krajowego

On 27 March 2024, Boryszew S.A. and Maflow Components Dalian Co. Ltd. ("Maflow China") concluded an investment and working capital loan agreement with Bank Gospodarstwa Krajowego ("BGK") with a total value of EUR 8.5 million, of which EUR 6.5 million is an investment loan and EUR 2 million is a working capital loan. Maflow China plans to use the funds raised from BGK to expand its facilities in China in connection with the development of rubber hoses for electric, hybrid and conventional vehicles.

Group's investment is part of its strategy to actively participate in the energy transition as a supplier of components for electromobility development. The financing was insured by the Export Credit Insurance Corporation ("ECI").

Events after the balance sheet date

Boryszew S.A

Adoption of the Strategy of Boryszew Capital Group for 2024 - 2028

According to the resolution of the Supervisory Board of Boryszew S.A. of 17 April 2024 on approval of: "Business Strategy for Boryszew Group for 2024–2028" (Strategy), the Company adopted for implementation on the same date an updated development strategy until 2028, assuming, among other things:

1. creation of new business segments in energy storage and circular economy, including but not limited to:
 - a. construction of 5 MW and 50 MW energy storage facilities,
 - b. construction of installation for thermal transformation of waste: municipal and hazardous in Toruń,
 - c. construction of additional facility for thermal transformation of hazardous waste in Konin;
2. continued development of the most profitable products by expanding into new markets and diversifying end customer sectors, including but not limited to:
 - a. in the Automotive Segment: construction of new production capacity (China),
 - b. in the Metals Segment: doubling the production capacity of aluminum conductors and introducing higher value-added products by 2025 (NPA Skawina Spółka z o.o.) plus expanding production capacity of alloy products (WM Działoszyn S.A.);
3. maintaining a high year-on-year EBITDA growth rate in 2024-2028 and reaching an EBITDA level of app. PLN 590 million in 2028;
4. ensuring the required liquidity in Boryszew Capital Group through optimisation of resources used;
5. decommissioning low-margin assets in the Chemicals and Metals Segments;
6. utilising 100% net green electricity as of 2030.

Given the remote time perspective and the possibility of occurrence of a number of external factors as well as unpredictability of risk factors resulting from the above, the above presented figures cannot be considered as forecasts for the strategy validity period, but only as an estimation of expected levels of revenues in relevant business areas that Boryszew Capital Group will strive to achieve.

The new Strategy is a response to the rapidly changing market environment and the challenges of the energy transition. The strategy extends the time horizon of the outlined strategic goals indicated in the document "Business Strategy for Boryszew Group for 2022-2026" adopted by the Company in May 2022, and the dynamics of reaching the goals, so formally the Strategy replaces the aforementioned document of May 2022.

Information on other important events was provided in the form of current reports of the Company, which are available at: www.boryszew.com.

24. DECLARATIONS OF THE MANAGEMENT BOARD

The Management Board of Boryszew S.A. represents that to the best of its knowledge the consolidated financial statements of Boryszew Capital Group and comparable data for the first quarter of 2024 were compiled in accordance with the binding accounting principles and truly, accurately and clearly reflect the actual and financial condition as well as the financial result of Boryszew Capital Group as well as true picture of development and achievements and situation of Boryszew Capital Group, including description of basic risks and threats.



**ABBREVIATED INTERIM
FINANCIAL STATEMENTS**

Boryszew S.A.
for the period between 1 January and 31 March 2024


Boryszew S.A.

Abbreviated interim financial statements for the period between 1 January and 31 March 2024
drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

STATEMENT OF COMPREHENSIVE INCOME

	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
Revenues from sales	466 804	526 975
Prime cost of sale	433 106	482 706
Gross profit on sales	33 698	44 269
Selling costs	3 204	4 911
Administrative expenses	25 689	27 386
Other operating revenues	27 427	6 809
Other operating expenses	9 874	4 158
Operating income	22 358	14 623
Financial revenues	20 287	21 608
Financial expenses	32 240	24 926
Financial profit/loss	(11 953)	(3 318)
Profit before taxation	10 405	11 305
Income tax	3 318	4 712
Net profit	7 087	6 593
Earnings / Diluted earnings per share		
Weighted average number of shares	205 205 000	205 205 000
Earnings / Diluted earnings per share (PLN)	0.03	0.03
	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
Net profit	7 087	6 593
Earnings recognised in equity		
Hedge accounting (pre-tax)	22	58
Measurement of financial assets		
Income tax	(4)	(11)
Earnings recognised in equity, to be transferred to income statement	18	47
Gains/losses on valuation and disposal of equity instruments (before tax)	-	(1 440)
Income tax	-	274
Earnings recognised in equity, not to be transferred to income statement, including:	-	(1 166)
Total earnings recognised in equity	18	(1 119)
Total comprehensive income	7 105	5 474


Boryszew S.A.

Abbreviated interim financial statements for the period between 1 January and 31 March 2024
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(amounts expressed in PLN '000 unless specified otherwise)

STATEMENT OF FINANCIAL POSITION

ASSETS	Balance on 31.03.2024	Balance on 31.12.2023	Balance on 31.03.2023
Non-current assets			
Tangible fixed assets	161 657	165 374	162 940
Investment property	31 107	21 702	19 780
Goodwill	-	-	-
Intangible assets	13 816	14 491	16 415
Right-of-use assets	113 437	114 406	102 090
Shares in subsidiaries and associates	886 639	886 639	869 543
Financial assets	51 643	46 576	156 504
Long-term receivables	132 927	119 100	139 246
Deferred tax assets	11 698	14 002	-
Total fixed assets	1 402 924	1 382 290	1 466 518
Current assets	816 850	804 517	912 285
Current assets other than assets held for sale			
Inventories	156 944	175 060	209 429
Trade receivables and other receivables	327 479	266 695	315 271
Short-term financial assets	318 415	330 142	334 446
Derivative financial instruments	-	3 777	3 582
Current tax receivables	-	4 032	2 140
Cash and cash equivalents	14 012	24 811	47 417
Total current assets	816 850	804 517	912 285
Total assets	2 219 774	2 186 807	2 378 803


Boryszew S.A.

Abbreviated interim financial statements for the period between 1 January and 31 March 2024
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(amounts expressed in PLN '000 unless specified otherwise)

LIABILITIES AND EQUITY	Balance on 31.03.2024	Balance on 31.12.2023	Balance on 31.03.2023
Equity			
Share capital	248 906	248 906	248 906
Share premium	112 346	112 346	112 346
Own shares	(182 816)	(182 816)	(182 816)
Hedge accounting capital	(9)	(27)	(138)
Capital reserve on translating employee payables	(349)	(349)	80
Revaluation reserve and gain on disposal of financial assets	3 433	3 433	26 825
Retained earnings	1 036 642	1 029 555	1 175 675
Total equity	1 218 153	1 211 048	1 380 878
Liabilities and long-term provisions			
Bank loans, borrowings	89 979	92 872	11 867
Lease and right-of-use liabilities	78 048	76 016	62 322
Deferred tax provision	-	-	5 515
Employee benefit provisions	3 094	3 094	2 316
Other provisions	31 916	31 916	29 720
Trade payables and other liabilities	25 000	25 000	-
Other long-term liabilities	6 186	6 085	5 844
Liabilities and long-term provisions - total	234 223	234 983	117 584
Short-term liabilities			
Bank loans, borrowings	395 193	374 912	428 446
Lease and right-of-use liabilities	19 383	23 086	21 232
Trade payables and other liabilities	336 350	325 413	380 765
Tax liabilities	475	3 658	-
Employee benefit provisions	12 042	9 560	14 573
Other provisions	2 507	2 346	31 911
Other liabilities and equity	1 448	1 801	3 414
Liabilities and short-term provisions - total	767 398	740 776	880 341
Total liabilities and provisions	1 001 621	975 759	997 925
Total equity and liabilities	2 219 774	2 186 807	2 378 803


Boryszew S.A.

Abbreviated interim financial statements for the period between 1 January and 31 March 2024
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(amounts expressed in PLN '000 unless specified otherwise)

CASH FLOW STATEMENT

	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
Cash flows from operating activities		
Profit before taxation	10 405	11 305
Adjustments for	(31 113)	40 898
Amortisation/depreciation	10 783	10 663
Profit/loss on financial activity (including interest on financial liabilities)	8 491	1 876
Profit / loss on investment activities	(12 252)	(2 494)
Change in receivables	(68 174)	5 432
Change in inventories	18 116	8 638
Change in liabilities	10 523	28 097
Change in provisions	821	(949)
Other items	745	(3 263)
Income tax paid	(166)	(7 102)
Net cash from operating activities	(20 708)	52 203
Cash flows from investment activities		
Proceeds from disposal of fixed assets	3	47
Proceeds from disposal of shares	-	509
Proceeds from repayment of loans granted	23 214	11 799
Expenses on acquisition of fixed assets	(2 375)	(4 918)
Acquisition of shares and stocks	-	(12 019)
Long term borrowings granted	(15 797)	(29 203)
Net cash from investing activities	5 045	(33 785)
Cash flows from financial activities		
Incomes on credit and loan facilities	48 929	2 585
Loans received	9 965	26 000
Loans repaid	(39 132)	(6 159)
Repayment of borrowings	(1 623)	(1 011)
Interest paid on loans, borrowings and leasing	(8 251)	(6 183)
Payment of liabilities under finance lease agreements	(5 008)	(6 047)
Other financial outflows	(16)	(16)
Net cash from financing activities	4 864	9 169
Net change in cash	(10 799)	27 587
Cash opening balance	24 811	26 118
Cash as a result of merger with a subsidiary and spin-off of a branch	-	(6 288)
Cash closing balance	14 012	47 417
<i>Restricted cash</i>	<i>1 468</i>	<i>13 788</i>



Boryszew S.A.

Abbreviated interim financial statements for the period between 1 January and 31 March 2024 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Treasury shares	Hedge accounting	Profit/Loss on restatement of employee benefits	Gains on investments in equity instruments	Retained earnings	Total equity
Balance on 01.01.2024	248 906	112 346	(182 816)	(27)	(349)	3 433	1 029 555	1 211 048
Valuation of hedge instruments				18				18
Profit/loss for Q1 '2024							7 087	7 087
Total revenue for Q1 '2024	-	-	-	18	-	-	7 087	7 105
Balance on 31.03.2024	248 906	112 346	(182 816)	(9)	(349)	3 433	1 036 642	1 218 153

	Share capital	Share premium	Treasury shares	Hedge accounting	Profit/Loss on restatement of employee benefits	Gains on investments in equity instruments	Retained earnings	Total equity
Balance on 01.01.2023	248 906	112 346	(182 816)	3 931	67	27 991	994 609	1 205 034
Valuation of hedge instruments				(3 958)				(3 958)
Valuation of employee benefits					(416)			(416)
Valuation of financial assets through comprehensive income						(4 438)		(4 438)
Disposal of financial assets through comprehensive income						3 433		3 433
Profit/loss for 2023							(11 229)	(11 229)
Total comprehensive income for 2023	-	-	-	(3 958)	(416)	(1 005)	(11 229)	(16 608)
Merger with subsidiary, merger equity			-				174 473	174 473
Transfer to reserve capital of profit on disposal of equity instruments						(23 553)	23 553	-
Dividends paid							(151 851)	(151 851)
Balance on 31.12.2023	248 906	112 346	(182 816)	(27)	(349)	3 433	1 029 555	1 211 048



Boryszew S.A.

Abbreviated interim financial statements for the period between 1 January and 31 March 2024 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

STATEMENT OF CHANGES IN EQUITY CONT'D.

	Share capital	Share premium	Treasury shares	Hedge accounting	Profit/Loss on restatement of employee benefits	Gains on investments in equity instruments	Retained earnings	Total equity
Balance on 01.01.2023	248 906	112 346	(182 816)	3 931	67	27 991	994 609	1 205 034
Valuation of hedge instruments				47				47
Valuation/disposal of financial assets through comprehensive income in Q1 2023.						(1 166)		(1 166)
Profit/loss for Q1 2023							6 593	6 593
Total income for Q1 2023	-	-	-	47	-	(1 166)	6 593	5 474
Merger with subsidiary, merger equity			-				174 473	174 473
Change in the structure of the Company, spin-off of a branch				(4 116)	13			(4 103)
Balance on 31.03.2023	248 906	112 346	(182 816)	(138)	80	26 825	1 175 675	1 380 878

**Boryszew S.A.**

**Abbreviated interim financial statements for the period between 1 January and 31 March 2024
drafted in accordance with IAS 34 as adopted by the European Union**

(amounts expressed in PLN '000 unless specified otherwise)

ADDITIONAL INFORMATION**ABBREVIATED INTERIM FINANCIAL STATEMENTS
OF BORYSZEW S.A. FOR THE FIRST QUARTER OF 2024****1. Statement by the Management Board on compliance of accounting principles**

The Management Board for Boryszew S.A.: Piotr Lisiecki, Łukasz Bubacz, Mikołaj Budzanowski represent that to the best of their knowledge the consolidated financial statements for Q1 2024 and comparative data covering separate financial statements of Boryszew S.A. have been compiled in accordance with the binding accounting principles and that the financial statements truly, reliably and clearly reflect the actual and financial condition as well as the financial result of Boryszew S.A.

2. Accounting principles applied

The information contained in the financial statements for the first three months of 2024 has been prepared in accordance with the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information to be published by issuers of securities and conditions for recognising as equivalent information required under the laws of a non-member state (Journal of Laws 2018.757 of 20.04.2018) and International Accounting Standard 34 (IAS 34) "Interim Financial Reporting".

Selected financial data in the initial part of the report were converted into EUR as per § 64 of the Regulation of the Minister of Finance of 29 March 2018 (Journal of Laws 2018.757 of 20.04.2018).

Balance sheet items were converted at the exchange rate of the last day of the reporting period and income statement items as well as cash flow statement items - at the average rate of the period.

The accounting principles and calculation methods applied by the Company have not changed in the period covered by these statements, and are presented in detail in the separate financial statements for 2023, published on 17 April 2024.

	Average EUR exchange rate in the period	EURO exchange rate as at the last day of period
01.01 – 31.03.2023	4.7005	4.6755
01.01 - 31.12.2023	4.5284	4.3480
01.01 – 31.03.2024	4.3211	4.3009

ACCOUNTING PRINCIPLES

Accounting principles (policy) of applied when drafting these quarterly separate financial statements for the period of 3 months ended on 31 March 2024 are consistent with those applied when drafting annual separate financial statements for the financial year ended on 31 December 2023.

Basis for the preparation of the financial statements

These abbreviated quarterly financial statements have been drafted in accordance with the historical cost principle, except for financial assets measured at fair value through profit or loss or other comprehensive income, assets measured at amortised cost, and financial liabilities measured at fair value through profit or loss. The abbreviated quarterly financial statements do not cover all information and disclosures to that are required in case of annual financial statements and must therefore be verified in conjunction with the financial statements of Boryszew S.A. for the year ended 31 December 2023, made public on 17 April 2024.

Standards, interpretations and amendments to standards or interpretations effective as of 1 January 2024:

- **Amendment to IAS 1** *Presentation of Financial Statements: Classification of liabilities as short- and long-term liabilities*
The amendment to IAS 1 was published on 23 January 2020, subsequently modified in July 2020 and finally adopted on 31 October 2022. The amendment is applicable to annual periods beginning on or after 1 January 2024.
The amendment redefines the criteria for current liabilities. The change may affect the presentation of liabilities and their reclassification between current and non-current liabilities.
- **Amendment to IFRS 16** *Leases Lease liability in sale and leaseback transactions*
The amendments require the seller-lessee to determine "lease payments" or "revised lease payments" in such a way that the seller-lessee recognises no gain or loss that relates to the right of use retained by the seller-lessee.

The above changes have immaterial impact on the Company's financial data.

New standards and interpretations and amendments to standards or interpretations that have been published but not approved for use in EU countries:

- **Amendments to IFRS 7** *Financial instruments: disclosures: Supplier finance arrangements* and **IAS 7** *Statement of cash flows*
The changes are aimed at increasing transparency on supplier finance arrangements and their impact on liabilities, cash flow and liquidity risk exposure. The amendments supplement requirements already included in IFRS and require entities to disclose additional information related to their contracts, including their impact on liquidity risk. The amendments are effective for annual periods beginning on or after 1 January 2024.
The Company will apply the amendment to the standard in accordance with the date of first application adopted by the EU. The above changes are not expected to affect the financial data.
- **Amendments to IAS 21** *The effects of changes in foreign exchange rates: Lack of exchangeability*
The changes will require entities to use a consistent approach to assessing whether a currency can be exchanged for another currency and, when this is not possible, to determine the exchange rate to be used and the disclosures to be made. The amendments are effective for annual periods beginning on or after 1 January 2025.
The Company will apply the amended standard as of 1 January 2025 or later. The above change should not affect the financial data.

RESTATEMENT OF COMPARABLE DATA AND CORRECTION OF ERRORS OF PREVIOUS YEARS

The Company has not restated the comparatives in this Quarterly Financial Report.

3. Off-balance-sheet liabilities

Contingent items	Balance on 31.03.2024	Balance on 31.12.2023	change
Sureties for the repayment of loans and other liabilities by associated companies	460 709	479 821	(19 112)
Total	460 709	479 821	(19 112)

Contingent items	Balance on 31.03.2024	Balance on 31.12.2023	change
Contingent liabilities	460 709	479 821	(19 112)
resulting from granted guarantees, sureties and other liabilities	460 709	479 821	(19 112)
- guarantees and sureties associated with performance of contracts	112 906	144 980	(32 074)
- guarantees and sureties in favour of financial institutions	347 803	334 841	12 962
Increases / decreases in the period of 3 months ended on 31.03.2024, of which:			(19 112)
Additions			
- Increase due to valuation of sureties			268
- Increase in surety amount			52 815
Reductions			
- Reduction due to valuation of sureties			(1 201)
- Decrease in the amount of existing sureties due to expiration, reduction			(70 994)

The increase in the value of granted sureties is mainly due to the launch of further tranches of investment loans at BNP Paribas S.A. for Boryszew Maflow Sp. z o.o. (PLN 4.44 million) and Mafmex S. de R.L. de C.V. (PLN 6.73 million), granting of a new guarantee to HSBC Continental Europe Italy for a loan granted to Maflow BRS s.r.l. (PLN 21.50 million), guarantee granted to Trafigura II PTE. LTD for trade liabilities of NPA Skawina Spółka z o.o. (PLN 4.30 million), increase in the surety granted to Huta Cynku "Miasteczko Śląskie" S.A. to secure ZM Silesia S.A. trade liabilities (PLN 5.00 million), as well as increase in the value of the guaranteed full factoring to Coface Poland Factoring Sp. z o.o. for ZM Silesia S.A. (PLN 5.00 million).

The decrease in the amount of existing sureties is mainly due to expiry of guarantees granted for the liabilities of NPA Skawina Spółka z o.o. (PLN 34.89 million), expiry of the guarantee granted to Borealis AG and Basell Sales & Marketing Company B.V. (PLN 13.04 million), for trade liabilities of: Maflow Plastics Poland Sp. z o.o., Boryszew Kunststofftechnik Deutschland GmbH and AKT Plastikarska Technologie Czechy Spol. s.r.o, reduction of the guarantee granted to BGK for BOD due to full repayment of liability (PLN 5.16 million), reduction of liabilities under a promissory note surety issued to Coface Poland Factoring Sp. z o.o. to secure the reverse factoring of NPA Skawina Spółka z o.o. (PLN 6.40 million).

Status of current warranties and guarantees as at 31.03.2024.

Entity on whose behalf the surety or guarantee was issued	Entity for which guarantee or surety was issued	Value of guarantee	Expiry date of guarantee
Boryszew Oberflächentechnik Deutschland GmbH	Warranty granted to Scholt Energy Control GmbH (under the guarantee line at HSBC Continental Europe)	469	31.03.2024
Maflow Plastics Poland Sp. z o.o.	Guarantee granted to HSBC Factoring (France)	4 534	31.01.2026
	Endorsement of lease agreement for mLeasing	99	15.12.2024
	Endorsement of lease agreement for mLeasing	193	15.12.2024
	Endorsement of lease agreement for mLeasing	99	15.12.2024
	Endorsement of lease agreement for mLeasing	99	15.12.2024
	Endorsement of lease agreement for mLeasing	210	15.02.2025
	Endorsement of lease agreement for mLeasing	159	15.02.2025
	Guarantee granted to HSBC Continental Europe (Spółka Akcyjna) Branch in Poland	8 016	31.12.2033

Entity on whose behalf the surety or guarantee was issued	Entity for which guarantee or surety was issued	Value of guarantee	Expiry date of guarantee
Boryszew Kunststofftechnik Deutschland GmbH	Guarantee granted to Scholt Energy Control GmbH (under the Guarantee line at HSBC)	4 301	31.12.2024
Maflow BRS s.r.l.	Guarantee granted to Intesa Bank	14 413	30.11.2026
	Guarantee granted to HSBC Continental Europe Italy	21 505	05.02.2034
MAFMEX S. de R.L. de C.V.	Maflow's performance bond for AB Volvo	21 505	term of the agreement
	Maflow's rent payment bond to Innova Dintel	11 889	01.01.2030
	BMW AG performance bond	25 805	contract period + 15 years
	Guarantee granted to BNP Paribas S.A.	62 295	30.06.2031
	Guarantee granted to HSBC Mexico S.A.	19 943	22.11.2032
ZM Silesia S.A.	Surety granted to PKO BP S.A.	9 800	31.08.2027
	Endorsement for Coface Poland Factoring Sp. z o.o.	25 991	indefinite validity
	Lease surety for Volkswagen Financial Services Polska Sp. z o.o.	43	15.09.2026
	Lease surety for Volkswagen Financial Services Polska Sp. z o.o.	27	31.05.2025
	Surety granted to Bank Millennium S.A.	15 000	28.05.2027
	Surety granted to Huta Cynku	15 000	31.03.2025
	Guarantee granted to Glencore International AG	2 150	30.04.2024
	Guarantee granted to Glencore International AG (under the guarantee line at HSBC Continental Europe)	6 451	30.04.2024
Maflow Components (Dalian) Co. Ltd.	Guarantee granted to HSBC Bank (China) Company Limited	16 572	18.01.2025
	BMW AG performance bond	25 805	contract period + 15 years
Boryszew Maflow Sp. z o.o.	Guarantee granted to BNP Paribas S.A.	71 280	30.06.2031
	Guarantee granted to BNP Paribas S.A.	16 343	28.06.2026
NPA Sp. z o.o.	Endorsement for Coface Poland Factoring Sp. z o.o.	6 484	indefinite validity
	Surety granted to mBank S.A.	28 000	indefinite validity
	Promissory note surety to Sopockie Towarzystwo Ubezpieczeń Ergo Hestia S.A.	12 367	20.09.2024
	Guarantee granted to Trafigura II PTE. LTD	4 301	30.01.2025
Alchemia S.A.	Endorsement for Coface Poland Factoring Sp. z o.o.	9 561	indefinite validity
Total guarantees and sureties granted by Boryszew S.A.		460 709	

Status of current warranties and guarantees as at 31.12.2023.

Entity on whose behalf the surety or guarantee was issued	Entity for which guarantee or surety was issued	Value of guarantee	Expiry date of guarantee
Boryszew Oberflächentechnik Deutschland GmbH	Guarantee granted to Bank Gospodarstwa Krajowego	5 160	31.12.2028 full repayment 14.03.2024
	Guarantee granted to Scholt Energy Control GmbH (under the Guarantee line at HSBC)	1 957	31.03.2024
Boryszew Plastic RUS Sp. z o.o.	Payment guarantee granted to Engel Austria	828	25.02.2024
Maflow Plastics Poland Sp. z o.o.	Guarantee granted to HSBC Bank Polska S.A.	4 583	31.01.2026
	Endorsement of lease agreement for mLeasing	272	15.12.2024
	Endorsement of lease agreements for mLeasing	135	15.12.2024
	Endorsement of lease agreements for mLeasing	263	15.12.2024
	Endorsement of lease agreement for mLeasing	135	15.12.2024
	Endorsement of lease agreements for mLeasing	135	15.02.2025
	Endorsement of lease agreements for mLeasing	206	15.02.2025
	Guarantee granted to HSBC Continental Europe (Spółka Akcyjna) Branch in Poland	4 753	31.12.2033
1) Maflow Plastics Poland Sp. z o.o. 2) Boryszew Kunststofftechnik Deutschland GmbH 3) AKT Plastikarska Technologie Czechy Spol. S.R.O.	Guarantee granted to Borealis AG for commercial liabilities	4 348	31.12.2023
1) Maflow Plastic Sp. z o.o., 2) Boryszew Kunststofftechnik Deutschland GmbH, 3) AKT Plastikarska Technologie Czechy Spol. S.R.O.	Guarantee granted to Basell Sales & Marketing Company B.V.	8 696	31.12.2023
Boryszew Kunststofftechnik Deutschland GmbH	Guarantee granted to Elix Polymers S.L.	1 652	31.12.2023
	Guarantee granted to Scholt Energy Control GmbH (under the Guarantee line at HSBC)	4 348	31.03.2024
Maflow BRS s.r.l.	Guarantee granted to Intesa Bank	15 921	30.11.2026
MAFMEX S. de R.L. de C.V.	Maflow's performance bond for AB Volvo	21 740	term of the agreement
	Maflow's rent payment bond to Innova Dintel	9 300	01.01.2030
	BMW AG performance bond	26 088	contract period + 15 years
	Guarantee granted to BNP Paribas S.A.	55 570	30.06.2031
	Guarantee granted to HSBC Mexico SA	19 675	22.11.2032
ZM Silesia S.A.	Surety granted to PKO BP S.A.	9 800	31.08.2027

Entity on whose behalf the surety or guarantee was issued	Entity for which guarantee or surety was issued	Value of guarantee	Expiry date of guarantee
	Endorsement for Coface Poland Factoring Sp. z o.o.	20 997	indefinite validity
	Lease surety for Volkswagen Financial Services Polska Sp. z o.o.	46	15.09.2026
	Lease surety for Volkswagen Financial Services Polska Sp. z o.o.	33	31.05.2024
	Surety granted to Bank Millennium S.A.	15 000	28.05.2027
	Surety granted to Huta Cynku	10 000	31.03.2025
	Guarantee granted to Glencore International AG	2 174	30.04.2024
	(under the Guarantee Line at HSBC)	6 522	30.04.2024
Maflow Components (Dalian) Co. Ltd.	Guarantee granted to HSBC Bank (China) Company Limited	16 602	18.01.2025
	BMW AG performance bond	26 088	contract period + 15 years
Boryszew Maflow Sp. z o.o.	Guarantee granted to BNP Paribas S.A.	66 842	30.06.2031
	Guarantee granted to BNP Paribas S.A.	16 522	28.06.2026
NPA Sp. z o.o.	Guarantee granted to Glencore International AG	9 838	16.02.2024
	Guarantee granted to Mechem SA	9 838	28.02.2024
	Guarantee granted to Trafigura PTE. LTD	8 696	28.02.2024
	Endorsement for Coface Poland Factoring Sp. z o.o.	13 223	indefinite validity
	Surety granted to mBank S.A.	28 000	indefinite validity
	Endorsement Credit Agricole Bank Polska S.A.	6 522	indefinite validity
	Promissory note surety to Sopockie Towarzystwo Ubezpieczeń Ergo Hestia S.A.	12 367	20.09.2024
Alchemia S.A.	Endorsement for Coface Poland Factoring Sp. z o.o.	14 946	indefinite validity
Total guarantees and sureties granted by Boryszew SA		479 821	

4. Dividend paid or declared in the period from the beginning of the year

On 17 April 2024, the Management Board of Boryszew S.A. made a decision to submit to the next General Meeting of Boryszew S.A. a motion to pay a dividend in the amount of PLN 0.44 per share entitled to dividend, or in the total amount of PLN 90 290 200, from the Company's supplementary capital, which, according to the provisions of art. 348 § 1 of the commercial companies code may be assigned for distribution. The proposed amount of dividend to be distributed to shareholders is in line with the Company's published dividend policy, and moreover, the payment of dividend in the amount proposed by the Management Board will not jeopardise the achievement of the Group's strategic goals.

Under art. 364 § 2 of the Commercial Companies Code, the Company does not exercise participation rights from own shares, except for the right to sell them or perform actions aiming at preservation of these rights. The Company's own shares are not eligible for dividends. On the date of publication of this report, the Company holds 34 795 000 own shares.

On 17 April 2024 the Company's Supervisory Board approved the Management Board's proposal. On 22 April 2024 the Management Board of Boryszew S.A. resolved to apply to the General Meeting of Shareholders to set the dividend date as 27 May 2024, and the dividend payment date as 4 June 2024. The final decision on the payment of dividends will be made by the General Meeting of Boryszew S.A., convened for 20 May 2024.



Boryszew S.A.

**Abbreviated interim financial statements for the period between 1 January and 31 March 2024
drafted in accordance with IAS 34 as adopted by the European Union**

(amounts expressed in PLN '000 unless specified otherwise)

5. Information on the issue, redemption and repayment of bonds

NON-EQUITY SECURITIES

The Group issued no non-equity securities in Q1 2024 and up to the date of the report.

REDEMPTION OF BONDS ISSUED BY BORYSZEW S.A.

On the date of publication of the Financial Statements Boryszew S.A. has no liabilities under bond issue.

EQUITY SECURITIES

In Q1 2024 and until the date of publication of the report, the Company issued no equity securities.

CAPITAL INVESTMENTS

In Q1 2024 the Company made no significant capital investments.

(amounts expressed in PLN '000 unless specified otherwise)

6. Operating segments

01.01.2024 - 31.03.2024	Chemical products	Automotive	Other non-allocated	Total	exclusions between segments	Total
Revenues from sales	41 198	211 370	214 729	467 297	(493)	466 804
Segment costs of sales	33 502	192 042	208 039	433 583	(477)	433 106
Result on sales within segment	7 696	19 328	6 690	33 714	(16)	33 698
General, administrative and sales expenses	7 915	15 271	5 723	28 909	(16)	28 893
Other operating profit/loss	24	6 556	10 973	17 553	-	17 553
Segment profit/loss	(195)	10 613	11 940	22 358	-	22 358
Amortisation/depreciation	1 450	8 909	424	10 783	-	10 783
EBITDA *)	1 255	19 522	12 364	33 141	-	33 141
Segment assets	181 671	806 025	1 351 456	2 339 152	(119 378)	2 219 774
Segment liabilities	105 384	706 172	309 443	1 120 999	(119 378)	1 001 621

01.01.2023 - 31.03.2023	Chemical products	Automotive	Other non-allocated	Total	exclusions between segments	Total
Revenues from sales	66 344	251 142	210 141	527 627	(652)	526 975
Segment costs of sales	57 890	219 235	206 199	483 324	(618)	482 706
Result on sales within segment	8 454	31 907	3 942	44 303	(34)	44 269
General, administrative and sales expenses	9 909	17 779	4 643	32 331	(34)	32 297
Other operating profit/loss	2 286	277	88	2 651	-	2 651
Segment profit/loss	831	14 405	(613)	14 623	-	14 623
Amortisation/depreciation	1 295	8 914	454	10 663	-	10 663
EBITDA *)	2 126	23 319	(159)	25 286	-	25 286
Segment assets	205 089	783 810	1 525 631	2 514 530	(135 727)	2 378 803
Segment liabilities	128 311	675 526	329 815	1 133 652	(135 727)	997 925

*) EBITDA = operating profit less depreciation expense

REVENUES FROM SALE BY DESTINATION MARKET	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
Continuing operations		
Domestic sales	259 681	265 013
Sales to EU countries	167 703	213 451
Sales to other European countries	16 647	19 938
Export outside Europe	22 773	28 573
Total (revenues from continuing operations)	466 804	526 975

SHARE OF EU MEMBER STATES IN INTRA-COMMUNITY SALES	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
Germany	34%	34%
Belgium	11%	9%
France	10%	9%
Sweden	10%	7%
Spain	9%	5%
Czech Republic	8%	9%
Italy	5%	5%
The Netherlands	5%	9%

7. Notes on the seasonality of Boryszew S.A. business in the reported period

Boryszew S.A. is exposed to seasonality only in a limited extent.

In the Automotive segment seasonality affects holiday months as well as December, when production of cars falls considerably, causing also a temporary fall in component orders.

In the segment of Chemical products seasonality affects a certain range of products manufactured by Boryszew ERG, Branch of Boryszew S.A. in Sochaczew. It applies to cooling fluids for the automotive segment (with peak demand in the third and fourth quarter, shifting to the beginning of the first quarter), de-icing fluids for runways and aircraft (with peak demand in the fourth and first quarter). PWC siding and EPS decorative components follow the seasonality of the construction industry, showing peak demand in second and third quarter.

No specific seasonality is observed for other products of Boryszew S.A.

8. Financial instruments, fair value, estimated data

Financial assets per balance sheet on 31.03.2024

	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Derivatives used for hedges	Carrying value
Trade receivables, factoring	267 533	5 481	-	-	273 014
Loans granted	370 035	-	-	-	370 035
Other debtors	-	132 941	-	-	132 941
Cash and cash equivalents	14 012	-	-	-	14 012
Total	651 580	138 422	-	-	790 002

Financial assets per balance sheet on 31.12.2023

	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Derivatives used for hedges	Carrying value
Trade receivables, factoring	200 830	4 499	-	-	205 329
Derivative financial instruments	-	-	-	3 777	3 777
Loans granted	376 695	-	-	-	376 695
Other debtors	-	128 990	-	-	128 990
Cash and cash equivalents	24 811	-	-	-	24 811
Total	602 336	133 489	-	3 777	739 602

Financial liabilities on 31.03.2024

	Financial liabilities measured at amortised cost	Derivatives used for hedges	Carrying value
Bank loans, factoring, borrowings	485 172	-	485 172
Lease liabilities	32 227	-	32 227
Right-of-use liabilities	65 204	-	65 204
Trade and other liabilities (excluding towards state budget and employees)	298 617	-	298 617
Total	881 220	-	881 220

Financial liabilities on 31.12.2023

	Financial liabilities measured at amortised cost	Derivatives used for hedges	Carrying value
Bank loans, factoring, borrowings	467 784	-	467 784
Lease liabilities	35 269	-	35 269
Right-of-use liabilities	63 833	-	63 833
Trade and other liabilities (excluding towards state budget and employees)	289 864	-	289 864
Total	856 750	-	856 750

Fair value of financial assets and liabilities valued at fair value on the on-going basis

	Fair value as at Balance on 31.03.2024	Balance on 31.12.2023	Hierarchy of fair value
Financial assets			
Derivative financial instruments	-	3 777	Level 2
Financial obligations			
Derivative financial instruments	-	-	Level 2

Fair value of financial assets and liabilities that are not measured at fair value on an ongoing basis

	Balance on 31.03.2024	Balance on 31.12.2023	of fair value
Financial assets			
Borrowings	370 035	376 695	Level 3
Trade and other receivables	405 955	334 319	Level 3
Cash and cash equivalents	14 012	24 811	Level 1
Financial obligations			
Borrowings and loans	485 172	467 784	Level 2
Trade and other liabilities	298 617	289 864	Level 3
Lease liabilities	32 227	35 269	Level 2
Right-of-use liabilities	65 204	63 833	Level 2

Impact of write-offs on assets and provisions on profit/loss

	01.01.2024 - 31.03.2024	01.01.2023 - 31.03.2023
Creation of value impairment write-offs for accounts receivable	(1 567)	(1 551)
Reversal of write-downs on accounts receivable (-)	6 806	1 700
Revaluation write-offs of loan receivables	(10 736)	(8 973)
Reversal of revaluation write-offs on loans granted	-	-
Creation of value impairment write-offs on bonds	(1 264)	(1 366)
Reversal of value impairment write-offs on bonds	-	-
Creation of value impairment write-offs on other receivables	(155)	(167)
Reversal of value impairment write-offs on other receivables	2 309	-
Reversal, release of revaluation write-offs on fixed assets	-	28
Total impact on profit/loss	(4 607)	(10 329)

9. Transactions with affiliated entities

	Subsidiaries	Personally related entities
in the period 01.01.2024 - 31.03.2024		
Revenues from sales (of products, services, goods)	76 345	1 870
Interest income	14 844	-
Purchases (of materials, goods, services)	25 183	255
Interest expense	2 872	-
balance on 31.03.2024		
Trade receivables	144 234	847
Loans granted	370 035	-
Other receivables (advances, deposits)	103 543	-
Lease liabilities	25 853	-
Trade liabilities	79 536	-
Loans received	144 580	-
Other liabilities (advances, deposits)	22	-

	Subsidiaries	Personally related entities
in the period 01.01.2023 - 31.03.2023		
Revenues from sales (of products, services, goods)	141 769	2 309
Interest income	12 071	752
Purchases (of materials, goods, services)	38 694	10
Interest expense	2 085	-
as at 31.03.2023		
Trade receivables	144 607	1 065
Bonds purchased	1 069	-
Loans granted	444 727	33 652
Other receivables (advances, deposits)	112 017	-
Lease liabilities	4 650	-
Trade liabilities	61 039	18
Loans received	118 290	-
Other liabilities (advances, deposits)	131	-

10. Additional information

INFORMATION ON BREACH OF MATERIAL PROVISIONS OF A CREDIT OR LOAN AGREEMENT, IN RELATION TO WHICH NO REMEDIAL ACTIONS WERE TAKEN UNTIL THE END OF THE REPORTING PERIOD

As at 31 March 2024 no overdue liabilities occurred due to borrowings and loans and no breach occurred of material provisions of borrowing and loan agreements.

THE IMPACT OF WAR IN UKRAINE ON THE SITUATION OF BORYSZEW S.A.

The invasion of the Russian Federation in Ukraine, which began on 24 February 2022, and the resulting sanctions introduced by the EU and the US against the Russian Federation and Belarus are assessed by Boryszew S.A. as significant developments for the current macroeconomic situation in the country and the world.

Poland's location as a neighboring country to Ukraine additionally affects the current situation in the country also due to direct and close economic contacts, the nature of which has changed due to the ongoing war.

The conflict in Ukraine is affecting changes in the prices of raw materials, products and services; disrupting the supply chain and limiting the market for sales. A summary of the total impact of the war in Ukraine and its effects on the economy will only be possible over a longer time horizon, but after two years of conflict, it can be summarised that the violent behaviour of the markets after the outbreak of the conflict has been extinguished to some extent.

The situation in the energy market has been calmed down, supplies from the Russian Federation have been replaced by other alternatives (new suppliers and increasing our own power generation capacity, which correlates with the EU's Green Deal policy). However, the effects of the surge in energy prices are being borne so far, as can be clearly seen in the higher level of inflation, which has exceeded the inflation targets of the central banks of the various European countries.

Due to the sanctions imposed, trade with the Russian Federation almost froze.

Spending on the defense industry has increased, and further increases are expected in this sector, which could also be an opportunity for the industry in the long term.

Boryszew S.A. identified the following key risks in the first quarter of 2024, resulting directly or indirectly from the current situation in Ukraine, which are also likely to be significant in the following quarters.

- high level of interest rates, which affects external financing prices,
- logistical disruption of the supply of raw materials and components for production,
- unfavourable changes in currency exchange rates,
- lower level of profitability of the investments made,
- uncertainty about price changes.

In Q1 2024 no disruptions to Boryszew S.A. operations occurred resulting from the war in Ukraine; the risks described above were mitigated by proactive measures at the operational level and decisions of the Management Board. In addition, by actively participating in Green Deal activities, as part of the Boryszew Capital Group, the Company participates in the energy transition, which will enable greater independence from the availability and price of energy resources, which, with an undoubtedly positive impact on the environment, will further decouple the Company from the negative impact of some of the risks described above.

Operations of Boryszew S.A. are diversified in terms of product range, customers and supply chain, to enable greater flexibility to the volatility of the global situation.

The Management Board believes that on the day of publication no risk exists of significant impact of the conflict on operating activity and going concern of Boryszew S.A. No adjustments have been made to reflect this in this report.

SIGNIFICANT PROCEEDINGS BEFORE A COURT, ARBITRATION BODY OR PUBLIC ADMINISTRATION AUTHORITY

- On 12 April 2021 the Company received a notification from the Head of Mazovian Tax and Customs Office in Warsaw on the initiation of VAT settlements audit for the period December 2015 - March 2016. On 3 August 2022, the Company received an Audit Result following the audit of tax books, in which the Head of Mazovian Tax and Customs Office in Warsaw stated that Boryszew ERG Branch had failed to exercise due diligence in documenting transactions, which was recognised by the Authority as irregularities in the settlement of the tax on goods and services. The Head of the Mazovian Customs and Fiscal Office in Warsaw questioned, in the Audit Result submitted to the Company, the right to apply 0% rate in intra-Community deliveries of goods to foreign entities and indicated that, given the facts, these deliveries should be taxed at 23% rate of the tax on goods and services in the period between December 2015 and March 2016 in the amount of PLN 9 817 220. According to the National Revenue Administration Boryszew S.A. also wrongfully deducted input VAT from invoices issued for the purchase of rapeseed oil, in the period December 2015 to March 2016, thereby overstating it by a total amount of PLN 12 435 798. The total amount of the overdue the tax for the above transactions was PLN 22 253 018 plus interest due. Despite the entitlement of Boryszew S.A. to correct the submitted declarations within 14 days of the date of delivery of the audit result, the Company challenged these findings in the tax proceedings. On 29 August 2022, the Company received a notice that the customs and tax audit had been transformed into a tax procedure. On 10 November 2023, the Company received a decision of the Head of the Mazovian Customs and Fiscal Office ("Office") in Warsaw, of 27 October 2023, determining the Company's outstanding VAT liability for the period December 2015 to March 2016 in the amount of PLN 23.03 million plus interest due for overdue tax. According to the position of the Office, the Company should not have reduced its output tax by the input tax shown on invoices issued by some contractors who were alleged to have been involved in a chain of transactions with the aim of effecting tax evasion. At the same time, the Office stated that Company had not acted with the so-called 'good faith', which would nevertheless help them maintain the right to deduct input tax despite the occurrence of tax irregularities at earlier stages of the disputed supplies. In addition, the Office questioned the Company's right to apply a 0% VAT rate to intra-Community supply of goods transactions, resulting in these transactions being subject to a 23% VAT. For the tax risk arising from the aforementioned proceedings the Company recognised a provision in 2022 in the amount of PLN 30.3 million. The decision in question is non-final and not enforceable. Given the different assessment of the above circumstances, the Company filed an appeal against the above decision of the Authority. On 20 December 2023, the Company paid the principal amount of the liability, i.e. PLN 23 034 553, together with interest in the amount of PLN 18 964 384, to the account of the relevant tax office, resulting from the decision of the Head of the Mazovian Customs and Fiscal Office in Warsaw of 27 October 2023. As of the date of publication of the report, the Company had not received a decision from the appeals authority.
- On 22 October 2020 the President of the Office of Competition and Consumer Protection initiated proceedings against Boryszew S.A. due to the company's excessive delays in meeting its cash obligations in the period June-August 2020. On 20 July 2023, the Company received a notice of completion of the evidence hearing in the case, along with the preliminary position of the President of the office, but not yet being a decision on the merits of the case.
On 25 August 2023, the Company received a decision imposing a fine for late payment of monetary dues in the amount of PLN 2 832 593.77. The Company's Attorney filed an appeal against the decision of the Office of Competition and Consumer Protection. The anticipated date of closing the case: 28 June 2024.
- Boryszew S.A. (before merger with Hutmen Spółka z o.o.)
On 14 February 2018 Hutmen Sp. z o. o. (currently Boryszew S.A.) filed a cassation complaint against the judgment of the Provincial Administrative Court in Warsaw dismissing the company's complaint against the decision of the Director of the Tax Chamber in Warsaw concerning VAT settlement for November 2012. The subject of the dispute is the amount of PLN 548 thousand, which the Company paid and recognised in the result for 2018. On 8 March 2022, a hearing was held before the Supreme Administrative Court, which returned the case to the Provincial Administrative Court for re-examination. On 21 November 2022, the Provincial Administrative Court revoked the decision of the appeal body, the ruling is not yet final. The Director of the Fiscal Administration Chamber in Warsaw by the decision of 15 May 2023 repealed the decision of the 1st

instance body in its entirety and referred the case for re-examination. As of the date of publication of the report, the renewed tax proceedings had not been completed.

On 3 April 2019, Hutmen Sp. z o. o. (currently Boryszew S.A.) received the decision issued on 26 March 2019 by the Head of the Lower Silesian Tax and Customs Office, which sets out company's VAT arrears for Q4 of 2014 at PLN 3.04 million plus interest on outstanding tax liability. As claimed by the Office, Hutmen Sp. z o. o. failed to observe due diligence in verifying the tax reliability of some of its contractors, and consequently had no right to apply the VAT rate of 0% for the intra-Community supply of goods. Due to its different assessment of the facts from that of the inspection bodies, Hutmen Sp. z o. o. appealed with the Tax Chamber against the decision of the Office. The appeal was recognised and the case was referred back to the Director of the Tax Administration Chamber in Wrocław for further consideration. On 16 November 2020, the company received a decision of the Head of the Lower Silesian Customs and Tax Office in Wrocław, determining again the outstanding VAT liability for Q4 '2014 in the amount of PLN 3.04 million plus interest on outstanding tax liability. On 29 June 2021, the Director of the Fiscal Administration Chamber in Wrocław repealed the decision of the 1st Instance Body in its entirety and referred the case for re-examination. On 16 November 2021, the Fiscal Administration Chamber issued a decision securing the amount of the tax liability. On 2 December 2021, a security deposit was placed in the Office's account. On 20 December 2021, the company again received a decision on the validity of the tax liability. On 3 January 2022, the company filed an appeal against the aforementioned decision. On 2 January 2023 the company received the decision of the Head of the Fiscal Administration Chamber in Wrocław of 27 December 2022, upholding the decision of the 1st instance body, determining overdue VAT liability of Hutmen for Oct-Dec 2014 in the amount of PLN 3.0 million, plus interest on outstanding tax liability. The company filed a complaint with the Provincial Administrative Court against the above decision. As of the date of publication of the report, the Provincial Administrative Court had not ruled on the case.

On 10 September 2018 Hutmen Sp. z o. o. (currently Boryszew S.A.) received a decision of the Tax Administration Chamber in Wrocław of 4 September 2018, upholding the decision of the 1st instance body, determining the outstanding VAT liability of Hutmen for October and December 2012 in the amount of PLN 1.14 million plus interest on outstanding tax liabilities. As claimed by the Office, Hutmen failed to observe due diligence in verifying the tax reliability of some of its contractors, and as a consequence did not have the right to deduct input VAT. The claim amount was paid in September 2018 and recognised in the company's 2018 results. Due to its different assessment of the facts from that of the inspection bodies, the company filed a complaint against the decision of the Office to the Provincial Administrative Court in Wrocław. On 13 March 2019 the Provincial Administrative Court issued a decision in favour of Hutmen. The judgement is final. On 3 September 2019 the Director of the Fiscal Administration Chamber in Wrocław repealed fully the decision of the 1st Instance Body in its entirety and referred the case for re-examination by that Body. On 11 December 2019 Hutmen received a refund of the entire amount of the tax in question together with interest. On 12 April 2021, the company received the decision issued on 8 April 2021 by the Head of Mazowiecki Tax and Customs Office, which again sets out company's outstanding VAT for October and December of 2012 at PLN 1.14 million plus interest on overdue tax liability. The decision is not final and is not enforceable. Hutmen appealed against the decision of the Fiscal Administration Chamber. On 7 October 2021 the company received a decision of the Director of the Fiscal Administration Chamber in Wrocław repealing the appealed decision and transferring the case for reconsideration by the 1st instance body. As of the date of publication of the report, no renewed decision was issued by the authority.

On 28 December 2020 Hutmen Sp. z o. o. (currently Boryszew S.A.) received a decision of the Head of the Małopolska Customs and Fiscal Office in Kraków of 16 December 2020 determining the outstanding VAT liability of company in the first half of 2015 in the amount of PLN 7.8 million plus interest on outstanding tax liability. As claimed by the Office, the company failed to observe due diligence in verifying the tax reliability of some of its contractors, and consequently had no right to apply the VAT rate of 0% for the intra-Community supply of goods. Due to its different assessment of the facts from that of the inspection bodies, Hutmen Sp. z o. o. appealed with the Fiscal Administration Chamber against the decision of the office. The Director of the Fiscal Administration Chamber in Wrocław repealed the decision of the 1st Instance Body in its entirety and referred the case for re-examination. On 14 October 2021, Hutmen received a decision of the Head of the Małopolska Customs and Fiscal Office in Kraków ("Decision") securing future VAT liabilities for the period January 2015 - June 2015.

On 22 October 2021 a security deposit in the amount of PLN 11.723 thousand was established on the account of the Fiscal Office following the decision of 14 October 2021 on Hutmen's assets the state budget liabilities associated with pending customs and fiscal proceedings. On 23 December 2021, the Head of the Małopolska Customs and Fiscal Office in Kraków again issued a decision on the validity of the tax liability, which was appealed by the company. On 2 January 2023 the company received the decision of the Head of the Fiscal Administration Chamber in Wrocław of 28 December 2022 determining overdue VAT liability of Hutmen for H1 2015 in the amount of PLN 7.8 million, plus interest on outstanding tax liability. The company filed a complaint with the Provincial Administrative Court against the above decision. On 29

**Boryszew Capital Group**

Abbreviated interim consolidated financial statements for the period between 1 January and 31 March 2024 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

February 2024, the Provincial Administrative Court revoked the appealed decision and the preceding decision of the first instance authority. The ruling is not final.

MANAGEMENT BOARD'S APPROVAL

These abbreviated interim quarterly consolidated financial statements of Boryszew Group for the period of 3 months ended 31 March 2024 and abbreviated interim financial statements of Boryszew S.A. for the period of 3 months ended 31 March 2024 were approved for publication by the Management Board of Boryszew S.A. on 15 May 2024.

SIGNATURES:

Wojciech Kowalczyk - President of the Management Board -----

Łukasz Bubacz – Member of the Management Board -----

Mikołaj Budzanowski – Member of the Management Board -----

Radosław Szorc - Chief Financial Officer -----

Agata Kęszczyk-Grabowska - Chief Accountant -----