



GRUPA BORYSZEW

CONSOLIDATED QUARTERLY REPORT OF BORYSZEW CAPITAL GROUP
for the period between 1 January and 30 September 2024

Report publication date
19 November 2024



Boryszew Capital Group

Abbreviated mid-year consolidated financial statements for the period between 1 January and 30 September 2024, drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Table of contents	Page
SELECTED FINANCIAL DATA	3
ABBREVIATED MID-YEAR CONSOLIDATED FINANCIAL STATEMENTS	4
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	5
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME - Discontinued operations	7
CONSOLIDATED BALANCE SHEET	8
CONSOLIDATED CASH FLOW STATEMENT	10
CONSOLIDATED STATEMENT ON CHANGES IN EQUITY	11
ADDITIONAL INFORMATION	13
STATEMENT OF COMPREHENSIVE INCOME	59
STATEMENT OF FINANCIAL POSITION	60
CASH FLOW STATEMENT	62
STATEMENT OF CHANGES IN EQUITY	63
ADDITIONAL INFORMATION	65

SELECTED FINANCIAL DATA

	in PLN thousand		in EUR thousand	
	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023
data regarding condensed consolidated financial statements				
Revenue from continuing operations	3 872 598	4 483 944	900 144	979 605
Operating profit	100 016	166 766	23 248	36 433
Net profit on continuing operations	30 217	122 346	7 024	26 729
Net profit on continuing and discontinued operations	30 217	134 700	7 024	29 428
Net profit attributable to the parent	23 027	126 812	5 352	27 705
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)	0.11	0.63	0.03	0.14
Net cash flow from operating activities	11 673	265 050	2 713	57 905
Net cash flow from investment activities	7 474	(33 539)	1 737	(7 327)
Net cash flow from financial activities	(21 216)	(250 638)	(4 931)	(54 757)
	Balance on 30.09.2024	Balance on 31.12.2023	Balance on 30.09.2024	Balance on 31.12.2023
Total assets	3 677 194	3 758 429	859 338	864 404
Total liabilities and provisions	2 146 973	2 101 572	501 735	483 342
Assets of continued operations	3 662 985	3 753 082	856 018	863 174
Liabilities of continued operations	2 145 396	2 101 572	501 366	483 342
Equity	1 530 221	1 656 857	357 603	381 062
Equity attributable to the parent company	1 493 896	1 623 720	349 115	373 441

	in PLN thousand		in EUR thousand	
	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023
data regarding separate condensed financial statements				
Revenues from sales	1 223 165	1 381 760	284 312	301 872
Operating profit	162 271	108 172	37 718	23 632
Net profit	116 847	87 292	27 160	19 071
Weighted average number of shares	205 205 000	205 205 000	205 205 000	205 205 000
Profit per ordinary share in PLN/EUR	0.57	0.43	0.13	0.09
Net cash flow from operating activities	(16 964)	93 355	(3 943)	20 395
Net cash flow from investment activities	98 217	60 717	22 829	13 265
Net cash flow from financial activities	(100 601)	(147 555)	(23 384)	(32 236)
	Balance on 30.09.2024	Balance on 31.12.2023	Balance on 30.09.2024	Balance on 31.12.2023
Total assets	2 200 617	2 186 807	514 271	502 945
Total liabilities and provisions	962 986	975 759	225 044	224 416
Equity	1 237 631	1 211 048	289 227	278 530



ABBREVIATED MID-YEAR CONSOLIDATED FINANCIAL STATEMENTS

Boryszew Capital Group

for the period between 1 January and 30 September 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023	01.07.2024 - 30.09.2024	01.07.2023 - 30.09.2023
Continuing operations				
Revenues from sales	3 872 598	4 483 944	1 216 832	1 279 358
Prime cost of sale	3 607 222	4 098 104	1 141 187	1 201 982
Gross profit on sales	265 376	385 840	75 645	77 376
Selling costs	78 426	96 250	26 402	28 262
Administrative expenses	217 732	220 916	64 591	74 334
Other operating revenue	191 028	228 749	31 990	76 077
Other operating expenses	60 230	130 657	8 128	12 118
Operating income	100 016	166 766	8 514	38 739
Financial revenues	25 655	48 782	163	(37 119)
Financial expenses	66 275	69 451	16 771	2 745
Share in profit of affiliates	(1 887)	(1 605)	(555)	(851)
Profit before taxation	57 509	144 492	(8 649)	(1 976)
Income tax	27 292	22 146	11 003	(10 015)
Net profit on continuing operations	30 217	122 346	(19 652)	8 039
Net profit/loss on discontinued operations	-	12 354	-	-
Net profit on continuing and discontinued operations	30 217	134 700	(19 652)	8 039
including attributable to:				
<i>to shareholders of the parent</i>	23 027	126 812	(22 343)	5 165
<i>to non-controlling interests</i>	7 190	7 888	2 691	2 874
Earnings / Diluted earnings per share	23 027	126 812	(22 343)	5 165
Weighted average number of shares	202 000 000	202 000 000	202 000 000	202 000 000
Earnings / Diluted earnings per share (PLN)	0.11	0.63	(0.11)	0.03
Net profit (loss) per share (in PLN, 100/PLN per share)	0.11	0.63	(0.11)	0.03
Earnings per share on continuing operations	0.11	0.63	(0.11)	0.03
Earnings per share on discontinued operations	-	-	-	-
Diluted net profit (loss) per share (PLN/share)	0.11	0.63	(0.11)	0.03
Diluted on continuing operations	0.11	0.63	(0.11)	0.03
Diluted on discontinued operations	-	-	-	-

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME - continued

	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023	01.07.2024 - 30.09.2024	01.07.2023 - 30.09.2023
Net profit	30 217	134 700	(19 652)	8 039
Earnings recognised in equity				
Hedge accounting (pre-tax)	(7 195)	(14 984)	6 321	(12 706)
Measurement of financial assets recognised in income statement	-	-		
Income tax	1 367	2 847	(1 201)	2 414
Foreign exchange differences on recalculation of foreign controlled entities	(57 877)	(3 800)	(27 359)	(4 967)
Earnings recognised in equity, to be transferred to income statement	(63 705)	(15 937)	(22 239)	(15 259)
Gains/losses on valuation and disposal of equity instruments (before tax)	-	(1 241)	-	-
Income tax	-	236	-	-
Employee benefit capital reserve (before tax)	4	(432)	(1)	-
Income tax	(1)	82	-	-
Earnings recognised in equity, not to be transferred to income statement, including:	3	(1 355)	(1)	-
Disposal of financial assets through comprehensive income in 2023.	-			
Total earnings recognised in equity	(63 702)	(17 292)	(22 240)	(15 259)
<i>to shareholders of the parent</i>	<i>(63 703)</i>	<i>(17 292)</i>	<i>(22 240)</i>	<i>(15 259)</i>
<i>to non-controlling interests</i>	<i>1</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total comprehensive income, including attributable:	(33 485)	117 408	(41 892)	(7 220)
<i>to shareholders of the parent</i>	<i>(40 676)</i>	<i>109 520</i>	<i>(44 583)</i>	<i>(10 094)</i>
<i>to non-controlling interests</i>	<i>7 191</i>	<i>7 888</i>	<i>2 691</i>	<i>2 874</i>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME - Discontinued operations

	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023	01.07.2024 - 30.09.2024	01.07.2023 - 30.09.2023
Revenues from sales	-	-	-	-
Prime cost of sale	-	-	-	-
Gross profit (loss) from sales	-	-	-	-
Selling costs	-	-	-	-
Administrative expenses	-	-	-	-
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	-	-	-	-
current tax	-	-	-	-
deferred tax	-	-	-	-
Net profit (loss) on discontinued operations	-	12 354	-	-
in the parent company	-	12 354	-	-
to non-controlling interests	-	-	-	-



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(amounts expressed in PLN '000 unless specified otherwise)

CONSOLIDATED BALANCE SHEET

ASSETS	Balance on 30.09.2024	Balance on 31.12.2023	Balance on 30.09.2023
Non-current assets			
Tangible fixed assets	1 323 684	1 329 473	1 405 383
Investment property	152 218	178 622	145 913
Goodwill	6 418	6 418	6 418
Intangible assets	33 520	38 334	38 836
Right-of-use assets	268 057	294 272	312 995
Shares in affiliates	26 970	28 857	29 485
Financial assets	18 669	101	100
Derivative financial instruments	539	1 183	1 261
Long-term receivables	61 061	43 712	52 967
Deferred tax assets	38 254	45 066	30 524
Total fixed assets	1 929 390	1 966 038	2 023 882
Current assets	1 747 804	1 792 391	1 912 873
Current assets other than assets held for sale	1 733 595	1 787 044	1 912 873
Inventory	764 891	886 122	947 818
Trade receivables and other receivables	740 268	633 367	781 426
Short-term financial assets	1	17 064	16 758
Derivative financial instruments	6 848	22 927	16 917
Current tax receivables	5 940	8 305	6 045
Cash and cash equivalents	215 647	219 259	143 909
Assets classified as held for sale	14 209	5 347	-
Total assets	3 677 194	3 758 429	3 936 755



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LIABILITIES AND EQUITY	Balance on 30.09.2024	Balance on 31.12.2023	Balance on 30.09.2023
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	9 192	15 020	2 332
Capital reserve on translating employee payables	(792)	(794)	(387)
Revaluation reserve and gain on disposal of financial assets	-	3 433	3 433
Exchange differences on translating foreign entities	(105 823)	(47 946)	(44 931)
Retained earnings	1 464 731	1 527 419	1 532 175
Total equity	1 493 896	1 623 720	1 619 210
Equity of non-controlling shareholders	36 325	33 137	33 189
Total equity	1 530 221	1 656 857	1 652 399
Liabilities and long-term provisions			
Bank loans, borrowings	299 630	249 516	222 967
Lease and right-of-use liabilities	217 684	224 669	251 776
Deferred tax provision	72 807	76 579	71 870
Derivative financial instruments	437	-	-
Employee benefit provisions	15 141	17 128	15 739
Other provisions	47 158	48 379	54 793
Other Liabilities	75	110	75
Other liabilities and equity	68 311	60 092	63 702
Liabilities and long-term provisions - total	721 243	676 473	680 922
Bank loans, borrowings	477 203	420 846	477 339
Lease and right-of-use liabilities	26 587	35 147	32 389
Trade payables and other liabilities	735 881	724 315	802 967
Derivative financial instruments	4 050	4 339	13 201
Tax liabilities	6 099	12 293	11 039
Employee benefit provisions	34 126	39 220	42 808
Other provisions	110 336	156 068	188 801
Other liabilities and equity	29 871	32 871	34 890
Short-term liabilities other than liabilities included in groups held for sale, classified as held for sale	1 424 153	1 425 099	1 603 434
Liabilities directly associated with assets classified as held for sale	1 577	-	-
Liabilities and short-term provisions - total	1 425 730	1 425 099	1 603 434
Total liabilities and provisions	2 146 973	2 101 572	2 284 356
Total equity and liabilities	3 677 194	3 758 429	3 936 755

CONSOLIDATED CASH FLOW STATEMENT

	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023
Cash flows from operating activities		
Profit before taxation	57 509	144 492
Adjustments for	(45 836)	120 558
Amortisation and depreciation	118 382	119 313
Profit/loss on financial activity (including interest on financial liabilities)	(8 323)	20 759
Profit / loss on investment activities	(33 804)	(13 632)
Change in receivables	(165 063)	(31 819)
Change in inventories	110 720	86 612
Change in liabilities	10 402	14 065
Provision for employee benefits	(7 081)	2 620
Change in provisions	(57 173)	8 485
Other items	12 274	(29 241)
Income tax paid	(26 170)	(56 604)
Net cash from operating activities	11 673	265 050
Cash flows from investment activities		
Profit on fixed assets disposal	107 578	57 449
Proceeds from disposal of shares and stocks	-	12 191
Proceeds from redemption of bonds by issuers	-	15 924
Proceeds from repayment of loans granted	5 100	45 650
Expenses on acquisition of fixed assets	(97 205)	(155 037)
Acquisition of shares and stocks	(6 598)	(18 031)
Loans granted	-	(1 000)
Other investment inflows/outflows	(1 401)	9 315
Net cash from investing activities	7 474	(33 539)
Cash flows from financial activities		
Incomes on credit and loan facilities	211 611	115 714
Dividends paid	(93 151)	(152 431)
Repayment of loans and borrowings	(96 354)	(162 226)
Interest paid on loans, borrowings and leasing	(44 105)	(32 925)
Payments of liabilities under lease agreements	(20 315)	(22 063)
Other financial inflows/outflows	21 098	3 293
Net cash from financing activities	(21 216)	(250 638)
Net change in cash and cash equivalents (before impact of foreign exchange rates)	(2 069)	(19 127)
Translation reserve	(1 543)	(1 378)
Cash opening balance	219 259	164 414
Net increase/(decrease) in cash and cash equivalents (after impact of foreign exchange rates)	(3 612)	(20 505)
Cash closing balance	215 647	143 909
<i>including: restricted cash</i>	<i>60 864</i>	<i>26 597</i>



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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				(5 828)					(5 828)		(5 828)
Valuation of employee benefits					2				2	1	3
Currency translation differences (subsidiaries)							(57 877)		(57 877)		(57 877)
Profit/loss for 3 quarters 2024								23 027	23 027	7 190	30 217
Comprehensive income for 3 quarters of 2024.	-	-	-	(5 828)	2	-	(57 877)	23 027	(40 676)	7 191	(33 485)
Dividends paid and declared								(89 148)	(89 148)	(4 003)	(93 151)
Transfer to reserve capital of profit on disposal of equity instruments						(3 433)		3 433	-		-
Balance on 30.09.2024	248 906	114 435	(236 753)	9 192	(792)	-	(105 823)	1 464 731	1 493 896	36 325	1 530 221

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



Boryszew Capital Group

Abbreviated mid-year consolidated financial statements for the period between 1 January and 30 June 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				(12 137)					(12 137)		(12 137)
Valuation of employee benefits					(350)				(350)		(350)
Earnings and recognition of financial assets and disposal through comprehensive income for 3 quarters 2023.						(1 005)			(1 005)		(1 005)
Currency translation differences (subsidiaries)							(3 800)		(3 800)		(3 800)
Profit/loss for 3 quarters of 2023								126 812	126 812	7 888	134 700
Total income for 3 quarters of 2023	-	-	-	(12 137)	(350)	(1 005)	(3 800)	126 812	109 520	7 888	117 408
Dividends paid and declared						-		(149 928)	(149 928)	(4 003)	(153 931)
Transfer to reserve capital of profit on disposal of equity instruments						(23 553)		23 553	-		-
Change in CG structure and others			-						-	(139)	(139)
Balance on 30.09.2023	248 906	114 435	(236 753)	2 332	(387)	3 433	(44 931)	1 532 175	1 619 210	33 189	1 652 399



ADDITIONAL INFORMATION

To abbreviated interim consolidated financial statements
drafted as at 30 September 2024

Page

1. INTRODUCTION	14
2. BASIS FOR REPORT PREPARATION AND ACCOUNTING PRINCIPLES	15
3. DESCRIPTION OF PERFORMANCE OF BORYSZEW GROUP IN Q3 '2024 INCLUDING FACTORS AND EVENTS WITH SIGNIFICANT IMPACT ON THE FINANCIAL RESULT	20
4. NOTES ON THE SEASONALITY OF THE COMPANY'S BUSINESS IN THE REPORTED PERIOD.....	28
5. INCOME AND PROFITS/LOSSES BY CONTINUING ACTIVITIES SEGMENTS OF AS FROM THE BEGGINING OF THE CURRENT YEAR	28
6. DIVIDEND PAID OR DECLARED IN THE PERIOD FROM THE BEGINNING OF THE YEAR.....	31
7. INFORMATION CONCERNING THE ISSUE, REDEMPTION AND REPAYMENT OF NON-SHARE AND EQUITY SECURITIES	31
8. FACTORS AND EVENTS, IN PARTICULAR THOSE OF UNTYPICAL NATURE, AFFECTING THE FINANCIAL PERFORMANCE IN THE CURRENT PERIOD.....	31
9. FACTORS THAT WILL AFFECT THE COMPANY'S FINANCIAL PERFORMANCE FOR AT LEAST THE UPCOMING QUARTER	32
10. MOVEMENTS IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS AS WELL AS ESTIMATED DATA.....	33
11. FINANCIAL INSTRUMENTS, FAIR VALUE AND ESTIMATED DATA	34
12. ORGANISATION OF THE CAPITAL GROUP	40
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	43
14. POSITION OF THE MANAGEMENT BOARD' S POSITION ON THE POSSIBILITY OF PREVIOUS PREVIOUSLY PUBLISHED FINANCIAL RESULT FORECASTS IN THE CURRENT YEAR.....	44
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	45
16. CHANGES IN THE OWNERSHIP STRUCTURE OF SIGNIFICANT BLOCKS OF SHARES IN THE COMPANY IN THE PERIOD SINCE THE PREVIOUS REPORT - SHARE OF VOTES AT THE COMPANY'S GENERAL MEETING	45
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...	46
18. SIGNIFICANT PROCEEDINGS BEFORE A COURT, ARBITRATION BODY OR PUBLIC ADMINISTRATION AUTHORITY	46
19. CONCLUSION BY THE COMPANY OR ITS SUBSIDIARY OF ONE OR MORE TRANSACTIONS WITH RELATED PARTIES	52
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	52
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.....	53
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 .	54
23. ADDITIONAL INFORMATION.....	54
24. DECLARATIONS OF THE MANAGEMENT BOARD	57



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.

On 1 January 2024 the following persons were members of the 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.

On 20 May 2024 the Ordinary General Meeting of Shareholders of the Company appointed the Supervisory Board for a new three-year term of office in the following composition:

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.

The Supervisory Board of the new term of office appointed the Audit Committee whose members are:

Mr Jarosław Antosik	– Chairman of the Audit Committee,
Mr Wojciech Zymek	– Member of the Audit Committee,
Mr Mirosław Kutnik	– Member of the Audit Committee.

No changes in the Supervisory Board occurred by the date of publication of the report.

MANAGEMENT BOARD OF BORYSZEW S.A.

On 1 January 2024, 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 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.

The following persons were appointed to the Management Board of the new term of office:

Mr Wojciech Kowalczyk as the President of the Management Board of Boryszew S.A., General Director,

Mr Łukasz Bubacz as Member of the Management Board, Investment Director,

Mr Mikołaj Budzanowski as Member of the Management Board, Development Director,

On 24 June 2024 the Supervisory Board of the Company, decided to appoint Mr Adam Holewa as Member of the Management Board, Automotive Segment Director, effective as of the same date.

On 30 September 2024, 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
Mr Adam Holewa	– Member of the Management Board, Automotive Segment Director

No changes in the Management Board occurred between 30 September 2024 and the date of publication of the financial statements.

2. BASIS FOR REPORT PREPARATION AND ACCOUNTING PRINCIPLES

The information contained in the abbreviated consolidated financial statements for three quarters 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".

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.

The data presented for the 3-month period between 1 July and 30 September 2024 and the corresponding period of 2023 have been compiled as the difference between the data for the 9-month period ended 30 September 2024 and the data for the 6-month period ended 30 June 2024, data determined similarly for the comparable period.

The report for the first half of 2024 containing the data used for the calculation described above was made public on 14 August 2024.

	Average EUR exchange rate in the period	EURO exchange rate as at the last day of period
01.01 - 30.09.2023	4.5773	4.6356
01.01 - 31.12.2023	4.5284	4.3480
01.01 - 30.09.2024	4.3022	4.2791

ACCOUNTING PRINCIPLES

Accounting principles (policy) applied when drafting these mid-year abbreviated consolidated financial statements for the period of 9 months ended on 30 September 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.

These abbreviated quarterly consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern for a period of at least 12 months from 30 September 2024. As of the date of approving these abbreviated quarterly consolidated financial statements for publication no circumstances have been identified that could indicate that the continuation of Group's operations is endangered.

New IFRS, interpretations and amendments to IAS and IFRS:

- **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.
- **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 does not perceive any material impact of the amended standard on the disclosures reported or to be reported after the application of the amended standard on the information presented in these interim financial statements.
- **IFRS 14 *Regulatory deferral accounts*** (published on 30 January 2014) - in accordance with the European Commission's decision, the approval process for the standard in its preliminary version will not be initiated before the standard in its final version is published - not approved by the EU as of the date of approval of these financial statements - effective for annual periods beginning on or after 1 January 2016;
- **Amendments to IFRS 10 and IAS 28: *Sale or in-kind contribution of assets between an investor and its associated entity or joint venture*** (published on 11 September 2014) - the work leading to the approval of these amendments are postponed indefinitely by the EU - the effective date has been postponed indefinitely by the IASB;
- **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.

- **IFRS 18 "Presentation and disclosure in financial statements"**
The standard was published on 9 April 2024 and applies to annual reporting periods beginning on or after 1 January 2027. The standard has not yet been adopted by the European Union. IFRS 18 sets out presentation and disclosure requirements for financial statements to ensure that they provide relevant information to faithfully reflect an entity's assets, liabilities, equity, income and expenses. The standard will replace IAS 1 "Presentation of Financial Statements." The Group is in the process of reviewing the above standard
 - **IFRS 19 "Subsidiaries without public accountability: disclosure of information"**
IFRS 19 is effective for annual periods beginning on or after 1 January 2027. The standard has not yet been adopted by the European Union. IFRS 19 introduces limited disclosure requirements in the financial statements of subsidiaries without public accountability and whose parent company prepares consolidated financial statements that are publicly available and conform with IFRS. The standard has no material impact on the consolidated financial statement of the Group.
 - **Amendment to IAS 12 Income Taxes: International tax reform - model principles of Pillar II (global minimum tax)** published on 23 May 2023.
The amendments give companies a temporary exemption from accounting for deferred taxes resulting from the Organisation for Economic Cooperation and Development's (OECD) international tax reform. Group companies applied the exemption immediately.
 - **Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"** published on 30 May 2024.
The amendments clarify the rules for classifying financial assets taking into account environmental, social, corporate governance (ESG) and similar characteristics associated with the asset. The amendments also apply to the settlement of liabilities through electronic payment systems - they clarify the date on which a financial asset or liability is derecognized. The amendments are effective for annual periods beginning on or after 1 January 2026.
The Group will apply the amended standard as of 1 January 2026 or later. On the date of drafting of these financial statements, it is not possible to reliably estimate the impact of application of the new standard.
 - **Amendments to various standards resulting from the annual review of the International Financial Reporting Standards (Annual Improvements Volume 11)** published on July 18, 2024.
On 18 July 2024, following the review of IFRS, minor amendments were introduced to the following standards:
 - IFRS 1 - on hedge accounting for first-time adopters;
 - IFRS 7 - on recognition of gain or loss on discontinued recognition of financial instruments, disclosure of deferred difference between fair value and transaction price, and introduction and disclosure of credit risk;
 - IFRS 9 - on the discontinuation of recognition of lease liabilities and clarification of the definition of "transaction price" in conjunction with IFRS 15;
 - IFRS 10 - on clarification of the term "de facto agent."
 - IAS 7 - on clarification of the term "cost method."
- They are mostly applicable for annual periods beginning 1 January 2026, with early application possible.
The Group will apply the amended standards as of 1 January 2026 or later. On the date of drafting of these financial statements, it is not possible to reliably estimate the full impact of application of the new standard.

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 30 SEPTEMBER 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 HR Service Sp. z o.o.	Toruń	100.00	Boryszew S.A.	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
Theysohn Formenbau GmbH in bankruptcy under self-administration	Germany	100.00	ICOS GmbH in bankruptcy under self-administration	Automotive
Boryszew Formenbau Deutschland GmbH in bankruptcy under self-administration	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 Deutschland GmbH in bankruptcy under self-administration	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 Plastičkářská 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 Capital Group

Abbreviated mid-year consolidated financial statements for the period between 1 January and 30 September 2024, drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Company name	Seat	share of the parent in share capital (%)	subsidiary of:	Business segment
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.U.-3.34%, 1 share worth 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 Q3 '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				
	3Q 2024		3Q 2023			3Q 2024		3Q 2023	
Chemical products	119 352	3.1%	182 728	4.1%	Poland	1 476 436	38.1%	1 560 525	34.8%
Automotive	1 189 679	30.7%	1 326 899	29.6%	Germany	705 203	18.2%	902 757	20.1%
Metals	2 176 787	56.2%	2 714 322	60.5%	Other EU countries	1 291 382	33.3%	1 607 037	35.8%
Other *	386 780	10.0%	259 995	5.8%	Other *	399 577	10.4%	413 625	9.2%
TOTAL	3 872 598	100.0%	4 483 944	100.0%	TOTAL	3 872 598	100.0%	4 483 944	100.0%

* this item includes consolidation exclusions between segments

Market sentiment - PMI and GDP:

Since more than 89.6% 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 Capital Group's performance.

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

PMI	3Q 2024	3Q 2023
EU	46.1	45.2
Poland	47.0	45.9
Germany	43.1	42.7

In Poland PMI was at a level higher than in the corresponding period of the previous year - still however below the 50-point "crisis" level, i.e. 47.0 points (with the reading of 45.9 points in Q3 '2023). The manufacturing PMI index, which depicts industry sentiment, is still at a low level, the downturn has slowed somewhat. The latest data means that Poland's manufacturing sector has been declining continuously for 30 months, and this is the longest period of decline since the survey began in 1998.

The average values of the PMI index, which determines the level of activity in industry also for Germany EU countries were at a higher level then in the same period of the previous year. It is clear from the data that the weakening in Poland is slightly less than in the eurozone, and the poor performance of the industry is now evident in most European Union countries.

The continuing crisis in the Polish industry could have serious consequences for the economy as a whole and could translate into the overall rate of economic growth, the level of investment and the situation on the labour market. In future periods, therefore, it will be quite important for the government and the NBP to act to stimulate demand and support entrepreneurs in this difficult period.

Forecast of GDP growth for Poland	2024	2025
NBP	2.7%	3.4%
World Bank	3.2%	3.7%
European Commission	2.8%	3.4%

The NBP, in its latest projection in November 2024, prepared two scenarios - one assumes a complete unfreezing of electricity prices for households and that Poland's GDP growth by 2.7% in 2024, (0.3 p.p. lower than projected in July 2024) and up to 3.4% in 2025. The second version of the scenario assumes that energy prices will remain frozen. Then the central GDP path also projects 2.7%. GDP growth in 2024, and 3.5% in 2025.

According to the NBP, the lower GDP growth rate compared to the previous projection is due to the expected slightly higher inflation rate, which is mainly composed of elevated energy and food price dynamics.

The NBP, in its projection, estimated that Poland's GDP growth is expected to accelerate in 2025, which will certainly be helped by a strong increase in the inflow of EU funds under the 2021-2027 financial perspective and from the National Recovery Plan.

The World Bank raised slightly its forecasts versus those published in the spring of 2024 (by 0.2 and 0.3 p.p., respectively) mainly due to a strong public sector wage growth and an increase in social benefits supporting a robust rebound in household consumption. Growth will also be supported, especially in 2025-2026, by high defense spending and the use of previously frozen EU funds.

According to the World Bank, economic growth in the Europe and Central Asia region will stabilise at 3.3% before slowing to 2.6% in 2025.

Also, importantly, in Q3 2024 the economic situation in both Poland and the world has not improved, and economic forecasts are very frequently revised, which indicates lack of fully reliable information at the moment which could provide a basis for accurate planning over the horizon of future reporting periods. This includes macroeconomic forecasts of GDP, inflation, interest rates, capital expenditure, exchange rates, prices of energy carriers and the situation in commodity markets.

The European Commission ("EC"), in its latest available forecast, which was slightly more optimistic than its February forecast, expects Poland's GDP to grow by 2.8% in 2024 (the February forecast was 2.7%) and by 3.4% in 2025 (the February forecast was 3.2%).

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 30.7% of Group's turnover).

According to ACEA data, the passenger car market in Europe in the 3 quarters of 2024 grew by 1.0% year-on-year. The main customer of the Automotive Segment, the Volkswagen Group, recorded a 1.2% increase in car sales in the European market after nine months of 2024 (compared to the same period last year) and still remains the market leader among automakers in Europe.

A lot of volatility can be observed in the automotive industry. Subsequent quarters will be significantly impacted by the competition from China, the impact of European Union protectionism (including tariffs), and subsidies for the purchase of electric cars in individual domestic markets.

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

Since nearly 56.2% of the Capital Group sales is in the metals industry segment, performance of the entire Group 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 Boryszew Capital Group, has a significant effect on risk reduction. However, the level of revenue and the amount of working capital remain sensitive to the volatility of these 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 Sp. z o.o. is the only manufacturer of the aforementioned products in Poland. The outlook in the coming years will be favourable for the company, as, in line with current EU's directions on energy policy changes and electromobility, demand for all products in NPA Skawina portfolio is expected to increase significantly. In order to meet the demands of the market, in 2023 the company launched an investment to increase the company's production capacity, which will be achieved through the purchase of new production equipment, upgrades and expansion of the existing machine park.

During the reported period the average prices of the four basic metals were as follows: lead declined by 2.3% and zinc by 0.4%, while copper prices were up by 6.3% and aluminium by 4.2%.

Metal prices in PLN fell by: 9.4% lead, 7.7% zinc, 3.4% aluminum and 1.4% copper, as a consequence of the decline in demand and the strengthening of PLN.

An important factor affecting the industry from the beginning of 2024 is its decarbonisation. Reducing CO₂ emissions requires large capital expenditure on fixed assets and increases production costs, which in turn makes the industry uncompetitive against competition from outside the European Union (mainly from Asian markets), which exerts price pressure. The process of decarbonisation (reducing the carbon footprint) is gradually leading to a change in the criteria that determine the purchase of raw materials and services, which has some impact on the cost of production.

The demand on the steel market is still low, which is reflected in the weak inflow of orders for steel products. Also significant is the direction of EU policy and the maintenance of safeguard measures on imports of steel products. If safeguard measures are not maintained, the European steel industry, forced to bear the investment costs of decarbonisation, will not be competitive against the influx of cheaper steel from outside the EU. As the consequence of this process the steel industry will move to third countries, which in the long run will make Europe dependent on imports.

The EU, in order to improve the competitiveness of its products, has introduced CBAM, a price adjustment mechanism for products imported from outside the EU taking into consideration CO₂ emissions in third countries. Since CBAM transition period will last till the end of 2025, it will take some time to see the effects of this solution.

To conclude, steel production across Europe still remains distressed and currently there is no possibility of a rebound from low levels. Expectations based on the latest analysis point to 2025, where an upturn should be felt.

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 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 rates 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 7.3% and against the Euro by 6.3%, which affected the quotations of basic metals expressed in PLN.

In the third quarter of 2024 the EUR/USD exchange rate was at 1.09 - and changed by 2.0% year-on-year.

The geopolitical situation in the world remains tense at all times, in particular, in addition to the ongoing conflict in Ukraine, there is the risk of an escalation of armed conflict in the Middle East; it has an impact on the volatility of the currency markets.

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

	3Q 2024	3Q 2023	% change
Aluminium [USD]	2 367	2 272	4.2%
Copper [USD]	9 133	8 588	6.3%
Zinc [USD]	2 687	2 699	(0.4%)
Lead [USD]	2 095	2 143	(2.3%)
	3Q 2024	3Q 2023	% change
EUR/PLN	4.30	4.59	(6.3%)
USD/PLN	3.96	4.27	(7.3%)
EUR/USD	1.09	1.07	2.0%
	3Q 2024	3Q 2023	% change
Aluminium [PLN]	9 374	9 705	(3.4%)
Copper [PLN]	36 166	36 681	(1.4%)
Zinc [PLN]	10 641	11 529	(7.7%)
Lead [PLN]	8 295	9 154	(9.4%)

Source: Daily listings of LME, NBP

VOLUME OF SALES

The first nine months of 2024 saw a decrease in the sales volume of the Metal Segment compared to the previous year (by 29.8 thousand tonnes), mainly in Alchemia Group (a decrease of 26.4 thousand tonnes in total), due to the economic slowdown and strong competition from China.

The Chemicals Segment also recorded a decrease of 6.4 thousand tonnes, a 25.4% reduction compared to the same period of last year.

in thousand tonnes	3Q 2024	3Q 2023	change
Volume of sales, including:	250.1	286.3	(36.2)
Metals Segment	231.3	261.1	(29,8)
Chemicals segment	18.8	25.2	(6,4)

ACHIEVED FINANCIAL RESULTS

Boryszew Capital Group

Revenues from sales / Demand for Group's products

The revenues of Boryszew Group after 9 months of 2024 amounted to PLN 3 872.6 million, 13.6% lower than the level in the same period last year.

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

in PLN million	3Q 2024	3Q 2023	change
Revenues from sale, including:	3 872.6	4 483.9	(611.3)
Automotive Segment	1 189.7	1 326.9	(137,2)
Metals Segment	2 176.8	2 714.3	(537,5)
Chemicals segment	119.3	182.7	(63,4)
Other *	386.8	260.0	126.8

* including consolidation adjustments

Revenues of the Automotive Segment were impacted by a slowdown in the growth of demand for electric cars from Group's customers including strong competition from China and the strengthening of PLN. This was partially offset by increased production of internal combustion engine cars, but the resulting losses could not be minimised by the carmakers' problems.

The Metals Segment experienced a decline in revenues in almost all companies (except for ZUO and ZM SILESIA). The largest decline was in steel, which was impacted by the volatile market situation in the steel industry in Europe, under the circumstances of the prolonged war in Ukraine and the global downturn. This is mainly due to the economic slowdown, lack of investment and competition from large non-ferrous metal product groups in Europe.

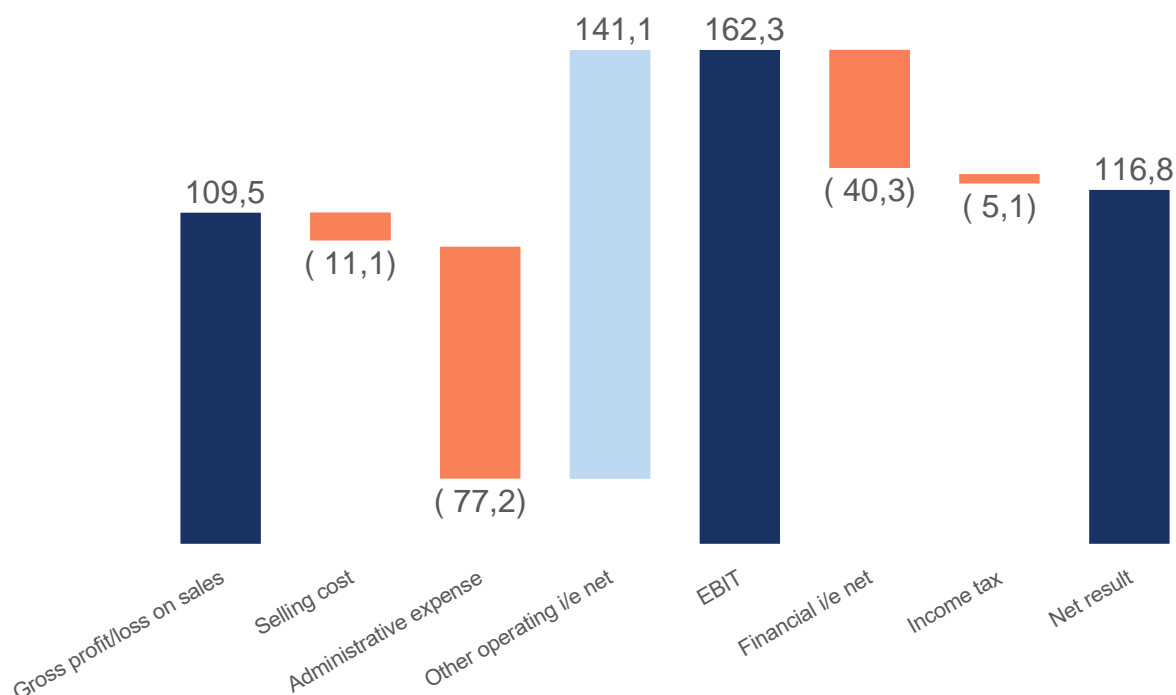
The Chemicals segment also recorded lower revenues, compared to the same period of the previous year, mainly due to reduced sales at Boryszew ERG Branch (Chemistry Department) and lower sales volumes at Elana branch.

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

Boryszew S.A.

The graph below compiles components of the profit and loss account of Boryszew S.A. after 3 quarters of 2024.

Profit and loss account of Boryszew S.A. after 3 quarters of 2024 [mln zł]



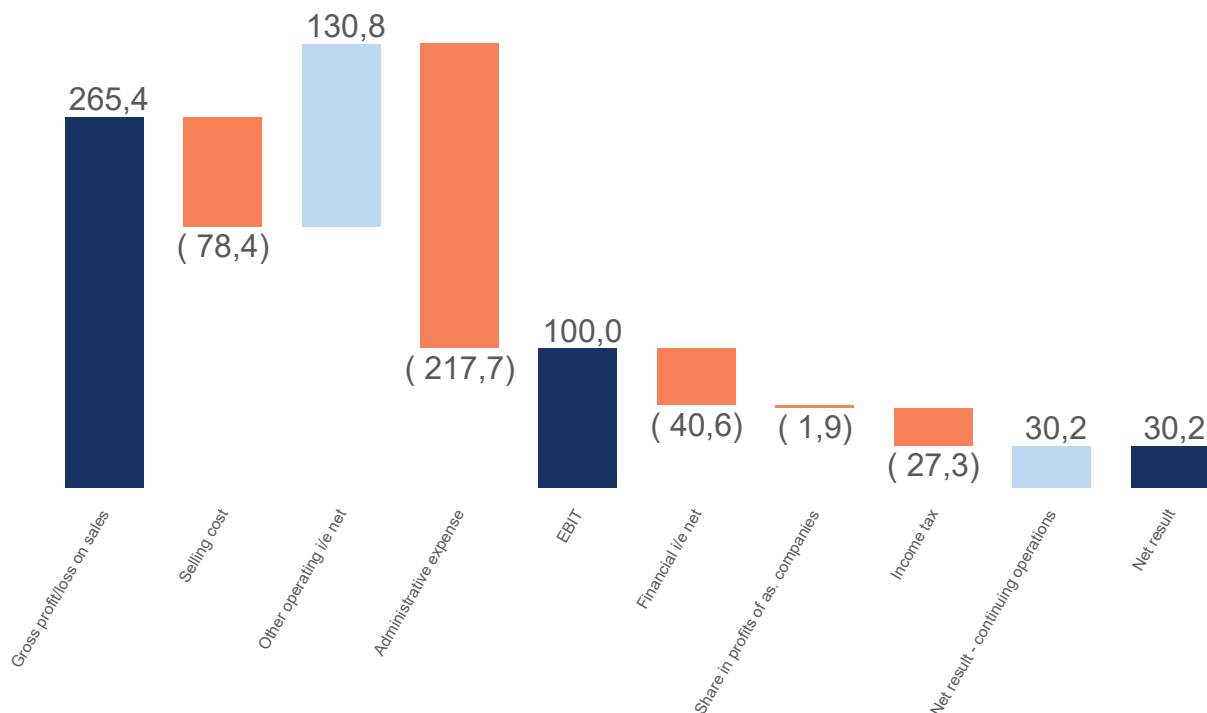
The gross result on sales after 3 quarters of 2024 amounted to PLN 109.5 million and was lower by PLN 3.6 million against the result for the corresponding period of the previous year. Average gross margin on sales went up from 8.2% in 2023 to 9.0% today. Costs of sales were lower by PLN 3.5 million, or by 23.8% against the same period of the previous year. General and administrative expenses were also lower by PLN 5.2 million, or 6.3%, compared to costs after nine months of 2023.

The balance of operating income/expenses amounted to PLN 141.1 million and it was by PLN 49.0 million higher compared to the same period of 2023, mainly due to dividends received.

The balance of other financial income/costs amounted to minus PLN 40.3 million and was lower by PLN 10.5 million compared to the same period of the previous year.

Boryszew Capital Group

The graph below compiles components of the profit and loss account after 3 quatres of 2024.

Profit and loss account of Boryszew Group after 3 quatres of 2024[mln zł]


11

The gross result on sales after 9 months 2024 amounted to PLN 265.4 million and was lower by PLN 120.5 million against the result for the corresponding period of the previous year. The decrease in gross profit is a consequence of the deterioration of results in all Segments except for Segment Other. Average gross margin on sales went up from 8.6% in 2023 to 6.9% today.

Costs of sales were lower by PLN 17.8 million, or by 18.5% against the same period of the previous year. General and administrative expenses were lower by PLN 3.2 million, i.e. 1.4%, compared to the same period of 2023.

The balance of operating income/expenses amounted to PLN 130.8 million and it was PLN 32.7 million higher as compared to the same period of 2023.

The result on financial operations amounted to minus PLN 40.6 million and was down by PLN 20.0 million compared to the same period of the previous year.

OPERATING RESULTS BY SEGMENTS
Boryszew S.A.

After 9 months of 2024 EBITDA of Boryszew S.A. on continuing operations amounted to PLN 195.2 million, compared to PLN 139.9 million in the same period of the previous year. In relevant operating segments, the EBITDA result was as follows:

in PLN million	3Q 2024	3Q 2023	change
EBITDA, including:	195.2	139.9	55.3
Automotive Segment	53.8	54.4	(0.6)
Chemicals segment	8.6	9.2	(0.6)
Other (*)	132.8	76.3	56.5

* including consolidation adjustments



Boryszew Capital Group

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

In the Automotive Segment, EBITDA result is at a similar level as in the same period last year. Lower y/y result in the Chemicals Segment is mainly due to lower production profitability and strong competition from China.

Boryszew Capital Group

After nine months of 2024 EBITDA on continuing operations amounted to PLN 218.4 million, compared to PLN 286.1 million in the same period last year.

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

in PLN million	3Q 2024	3Q 2023	change
EBITDA, including:	218.4	286.1	(67.7)
Automotive Segment	48.1	65.6	(17.5)
Metals Segment	126.9	196.8	(69.9)
Chemicals segment	8.6	9.0	(0.4)
Other *	34.8	14.7	20.1

* including consolidation adjustments

in PLN million	3Q 2024	3Q 2023	change
EBITDA (excluding non-recurring events), including:	193.1	286.1	(93.0)
Automotive Segment	48.1	65.6	(17.5)
Metals Segment	101.6	196.8	(95.2)
Chemicals segment	8.6	9.0	(0.4)
Other *	34.8	14.7	20.1

* including consolidation adjustments

Non-recurring events included: recognition of a provision in ALCHEMIA S.A for the liquidation of Walcownia Rur Andrzej Branch in Zawadzkie in the amount of PLN 25 million, and release of a provision related to the tax proceedings in ZM SILESIA S.A in the amount of PLN 50 million.

1. Automotive Segment

Lower EBITDA in the Automotive Segment is due to lower sales in the recent period and lower profitability in the Segment. In addition, the current situation is also affected by the postponement of production launch by an electric car customer.

2. Metals Segment

The EBITDA result in the Metals Segment, which was lower than last year, is mainly attributable to steel, due to the continued weakening of demand for steel products in Europe and reduced sales volumes. Not less important is the fact that the lower demand also occurring in China is creating downward pressure on prices for steel products; with higher manufacturing costs, due in large part to high energy costs and energy-intensity issues at European manufacturers, the downward pressure on margins still remains.

3. Chemical products segment

The decrease in EBITDA of the Segment is a result of the decline in sales volumes at the Boryszew ERG branch (large volumes imported from Asia contributed to lower production profitability).

4. Other

Results of companies in the Other 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 coupled by the growing electricity and gas trading activities (volume growth).

NET PROFIT/LOSS

Boryszew S.A.

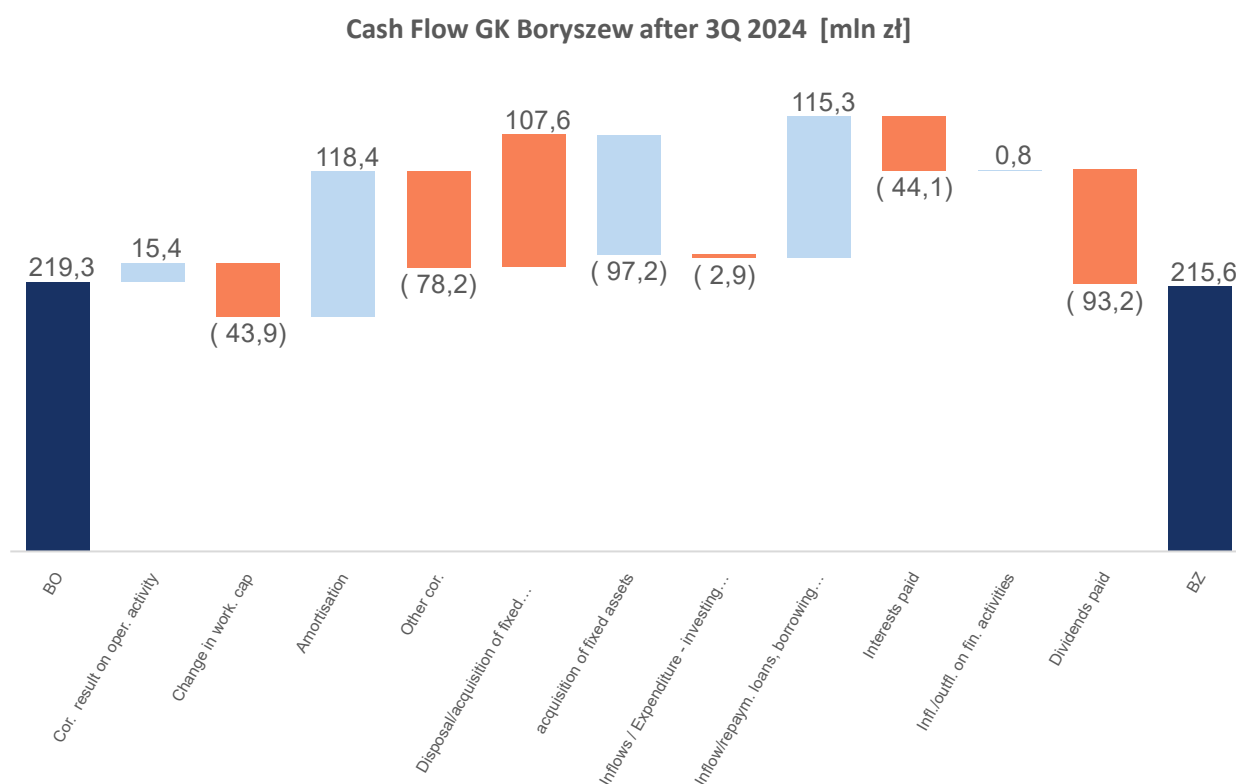
Net result of Boryszew S.A. after Q3 '2024 amounted to PLN 116.8 million and is higher than in the same period of the previous year by PLN 29.5 million.

Boryszew Capital Group

The total net result including continued and discontinued operations amounted to PLN 30.2 million and was lower than the result after the same period of the previous year by PLN 104.5 million, while the net result attributable to shareholders of the parent company amounted to PLN 23.0 million - lower than last year's result by PLN 103.8 million.

A. CASH FLOW

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



After 3 quarters of 2024 Boryszew Capital Group generated positive cash flows from operating activities in the amount of PLN 11.7 million, mainly due to a decrease in inventories.

The positive balance of flows from investing activities, amounting to PLN 7.5 million, is a result of the sale of real estate in France and Toruń, as well as capital expenditure to increase production capacity of aluminium wire rod and cable conductors as well as overhead wires at NPA Skawina and modernisation of the melting and casting unit at WM Dziedzice.

The negative balance from financing activities, in the amount of PLN 21.2 million, was mainly due to the repayment of loans and interest.

After 9 months of 2024 net debt of Boryszew Capital Group amounted to PLN 611.7 million and was higher by PLN 104.6 million compared to the end of the previous year.

The net debt/EBITDA ratio in the first nine months of 2024 was 2.1 and is 0.8 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)).

Given the current difficult market situation, the Management Board of Boryszew S.A. positively evaluates the achieved financial results for 9 months of 2024, in all significant elements. 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 the phenomenon of seasonality 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 BEGGING 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 in bankruptcy under self-administration, Boryszew Oberflächentechnik Deutschland GmbH in bankruptcy under self-administration, Boryszew Plastic Rus Ltd., Maflow Plastics Poland Sp. z o.o., Boryszew Deutschland GmbH w likwidacji., 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.



Boryszew Capital Group

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REVENUES FROM SALE BY DESTINATION MARKET

Sales revenues by geographical areas	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023
Continuing operations		
Domestic sales	1 476 436	1 560 525
Sales to EU countries	1 996 585	2 509 794
Sales to other European countries	163 226	179 863
Export outside Europe	228 762	233 762
Hedging instruments	7 589	-
Total (revenues from continuing operations)	3 872 598	4 483 944

SHARE OF EU MEMBER STATES IN INTRA-COMMUNITY SALES

Share of EU member states in intra-Community sales:	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023
Germany	35%	36%
Czech Republic	21%	19%
Italy	8%	6%
Spain	6%	4%

REVENUES AND RESULTS BY OPERATING SEGMENTS IN THREE QUARTERS OF 2024
(data regarding continuing operations)

Continuing operations 01.01.2024 - 30.09.2024	Chemical products	Automotive	Metals	Other non-allocated	Total	exclusions between segments	Total
Revenues from sales	119 352	1 189 679	2 176 787	541 717	4 027 535	(154 937)	3 872 598
Segment costs of sales	96 875	1 100 152	2 045 699	510 857	3 753 583	(146 361)	3 607 222
Result on sales within segment	22 477	89 527	131 088	30 860	273 952	(8 576)	265 376
General, administrative and sales expenses	22 605	126 304	126 523	24 666	300 098	(3 940)	296 158
Other operating profit/loss	4 520	19 912	73 633	123 598	221 663	(90 865)	130 798
Segment profit/loss	4 392	(16 865)	78 198	129 792	195 517	(95 501)	100 016
Amortisation and depreciation	4 228	64 940	48 732	4 582	122 482	(4 100)	118 382
EBITDA *)	8 620	48 075	126 930	134 374	317 999	(99 601)	218 398
Segment assets	131 939	1 530 149	2 200 095	1 845 746	5 707 929	(2 044 944)	3 662 985
Segment liabilities	98 300	2 271 014	650 533	225 844	3 245 691	(1 100 295)	2 145 396

Continuing operations 01.01.2023 - 30.09.2023	Chemical products	Automotive	Metals	Other non-allocated	Total	exclusions between segments	Total
Revenues from sales	182 728	1 326 899	2 714 322	562 225	4 786 174	(302 230)	4 483 944
Segment costs of sales	154 628	1 219 995	2 474 205	543 663	4 392 491	(294 387)	4 098 104
Result on sales within segment	28 100	106 904	240 117	18 562	393 683	(7 843)	385 840
General, administrative and sales expenses	29 628	141 002	129 292	20 554	320 476	(3 310)	317 166
Other operating profit/loss	6 402	38 568	39 083	119 070	203 123	(105 031)	98 092
Segment profit/loss	4 874	4 470	149 908	117 078	276 330	(109 564)	166 766
Amortisation and depreciation	4 158	61 086	46 909	7 256	119 409	(96)	119 313
EBITDA *)	9 032	65 556	196 817	124 334	395 739	(109 660)	286 079
Segment assets	201 201	1 683 088	2 271 083	1 913 246	6 068 618	(2 131 863)	3 936 755
Segment liabilities	123 669	2 278 148	651 139	301 630	3 354 586	(1 070 230)	2 284 356

*) EBITDA = operating profit less depreciation expense



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

On 20 May 2024 the Ordinary General Meeting of the Company passed a resolution to pay a dividend to shareholders (from supplementary capital, which, according to art. 348 § the commercial companies code may be allocated for distribution) in the amount of PLN 0.44 per share entitled to dividend, that is, in the total amount of PLN 90 290 200.00.

205 205 000 shares were entitled to the dividend. 34 795 000 treasury shares held by Boryszew S.A. were not entitled to the dividend.

The dividend date was scheduled for: 27 May 2024.

The dividend payment date was: 4 June 2024.

The dividend was paid in accordance with resolution No. 19 of the Ordinary General Meeting of Boryszew S.A.

Part of the dividend paid by Boryszew S. A. remained in the Group, the value of the dividend paid outside the Group amounts to PLN 89 148 thousand. The dividend was paid in accordance with the resolution of the Ordinary General Meeting of Boryszew S.A.

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

NON-EQUITY SECURITIES

The Company issued no non-equity securities in Q3 '2024 and up to the date of the report.

EQUITY SECURITIES

In the third quarter of 2024 and until the date of publication of the report, the Company issued no equity securities. For summary of consolidated and unconsolidated shares refer to point 2 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 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 more than 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 Q3 '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,
- increase in the price of CO₂ emission rights,
- lower level of profitability of the investments made,
- uncertainty regarding the geopolitical situation,
- uncertainty about price changes.

In Q3 '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 adequate decisions of the Management Board. 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) as well as product range and customers and supply chain. With this structure, the Group has greater flexibility in responding 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 Q3 '2024 should include:

- continued downward trend in demand in Europe, including a slowdown in the German economy,
- influx of cheap products from Asia,
- continued high levels of inflation and interest rates,
- lack of demand for steel products, persistent crisis situation in the sector,
- optimisation of assets and manufacturing operations at Alchemia S.A.,
- slower pace of car electrification and strong competition from China,
- 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,
- 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,
- costs of adapting production processes to the environmental requirements of the European Union (particularly the non-ferrous metals industry),
- cost of the energy transition, update of Poland's Energy Policy, legislation associated with the Green Deal,
- market uncertainty amid geopolitical tensions,
- global economic situation, especially in the key sectors (motorization and construction) as well as in the main sales markets (the European Union, including Germany).
- increases in trade tariffs between key world economies,
- monetary policy of the National Bank of Poland affecting changes in interest rates,
- higher economic protectionism in international trade, resulting in restrictions to access markets,
- insufficient investment limiting growth potential,
- PLN exchange rate against foreign currencies (affects the margin earned in PLN due to the significant share of export sales),
- variability of tax laws,
- changes in consumer sentiment that alter demand for durable goods,
- unfavourable demographic structure and low level of unemployment,
- Poland's receipt of funds from the National Recovery Plan and the level of their use, the initiation by the EU of an excessive deficit procedure against Poland, leading to a potential reduction in public spending.

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,
- effects of optimisation of Group's asset structure and production processes,
- increase in the efficiency of the Automotive Segment operations as a result of BAP Group restructuring,
- development of new business segments associated with energy transition,
- development of new business segments and adapting production processes to the requirements of energy transition,
- implementation of investments in upgrading production technologies and in fixed assets necessary for new contracts,
- staff turnover

According to estimates updated as of September 2024 by different financial institutions in 2024, Poland's economic growth in 2024 will be lower than originally expected. Annual GDP growth, including consumption, slowed in the third quarter of this year. In 2025, GDP growth is expected to accelerate, while in 2026 it will again decline to below 3%. According to a recent report by the National Bank of Poland, fixed asset outlays increased in the previous quarter (by 2.7 y/y in Q2 of this year), boosted mainly by the increase in public investment; companies reduced outlays in all major categories (machinery and equipment, transportation equipment, construction investment). In 2025, the level of investment should be significantly higher (as a result of access to cheaper financing, which should lead to a drop in interest rates).

The NBP's survey results indicate a weakening in the economic condition of businesses in the third quarter of this year.

In September 2024, as a result of unfreezing prices of electricity and natural gas, and to a lesser extent food, an increase in the annual CPI inflation rate to 4.9% can be observed, the planned inflation rate at the end of 2024 will still be above the inflation target (according to the latest NBP forecasts, it will be 3.7%), the following year will see a further increase in inflation and a decrease in 2026.

Any forecasts should be treated as one of many possible scenarios, not as predictions presented with full conviction. The Management Board of Boryszew keeps a close look at market trends in the industry and will make decisions on an ongoing basis related to operations on markets of interest to the Group and cooperation with key counterparties, which will be reported in relevant reports.

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

Contingent liabilities

	Balance on 30.09.2024	Balance on 31.12.2023	change
Sureties for the repayment of loans and other liabilities by associated companies	105 579	83 216	22 363
Liability for tax risks on proceedings at ZM SILESIA S.A. (change described in note 17)	95 346	35 551	59 795
Potential liability under concluded contract	14 977	15 218	(241)
Total	215 902	133 985	81 917

	Balance on 30.09.2024	Balance on 31.12.2023	change
Contingent liabilities	105 579	83 216	22 363
resulting from granted guarantees, sureties and other liabilities	105 579	83 216	22 363
- guarantees and sureties associated with performance of contracts	84 131	83 216	915
- guarantees and sureties in favour of financial institutions	21 448	-	21 448

Increases / decreases in the period of 9 months ended on 30.09.2024, including:

Additions

- Increase due to valuation of sureties	-
- Increase in surety amount	23 533

Reductions

- Reduction due to valuation of sureties	(1 170)
- 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 (PLN 2.09 million), granting of a guarantee to Investitionsbank des Landes Brandenburg for a grant awarded to Boryszew Oberflächentechnik Deutschland GmbH (PLN 21.45 million), the decrease is due to the valuation of warranties issued in foreign currencies.

	Balance on 30.09.2024	Balance on 31.12.2023	change
Contingent assets/ CO2 emission rights	18 652	33 843	(15 191)

The change in the value of contingent assets as at 30.09.2024 compared to 2023 is due to the disposal of emission rights held, redemption of emissions for 2023, allocation of allowances for 2024 and the change in the valuation as at the reporting date of emission rights held.

The market value of CO₂ emission rights (EUA) held as at 30.09.2024 is PLN 18,6 million [66 488 units x EUR 65.56 (average quote for CO₂ emission futures) x 4.2791 (average NBP exchange rate as at 30.09.2024)]

11. FINANCIAL INSTRUMENTS, FAIR VALUE AND ESTIMATED DATA

Financial assets per balance sheet on 30.09.2024

	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	-	6 622	6 701
Trade receivables, factoring	543 724	23 233	-	-	566 957
Derivative financial instruments	-	580	6 807	-	7 387
Loans granted	11 969	-	-	-	11 969
Other debtors	80 440	-	-	-	80 440
Cash and cash equivalents	215 647	-	-	-	215 647
Total	851 780	23 892	6 807	6 622	889 101

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 30.09.2024

	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	776 833	-	-	776 833
Derivative financial instruments	-	-	4 050	4 050
Lease liabilities	50 497	-	-	50 497
Right-of-use liabilities	136 498	-	-	136 498



Boryszew Capital Group

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(amounts expressed in PLN '000 unless specified otherwise)

Trade and other liabilities	610 778	-	-	610 778
Total	1 574 606	-	4 050	1 578 656

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 30.09.2024	Balance on 31.12.2023	of fair value
Financial assets			
Derivative financial instruments	7 387	24 110	Level 2
Financial obligations			
Derivative financial instruments	4 050	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 30.09.2024	Balance on 31.12.2023	of fair value
Financial assets			
Shares and stock	6 701	102	Level 3
Borrowings	11 969	17 063	Level 3
Trade and other receivables	647 397	512 553	Level 3
Cash and cash equivalents	215 647	219 259	Level 1
Financial obligations			
Borrowings and loans	776 833	670 362	Level 2
Trade and other liabilities	610 778	612 846	Level 3
Lease liabilities	50 497	56 040	Level 2
Liabilities to SMA and PdUA	136 498	149 224	Level 2
Liabilities to SMA - investment property	57 276	54 552	Level 2



Boryszew Capital Group

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(amounts expressed in PLN '000 unless specified otherwise)

Effect on the result of asset write-offs

	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023
Creation of value impairment write-offs for accounts receivable	(1 107)	(2 771)
Reversal of write-downs on accounts receivable (-)	3 450	1 083
Revaluation write-offs of loan receivables	(5)	(3)
Reversal of revaluation write-offs on loans granted	-	-
Creation of value impairment write-offs for inventories	(5 949)	(4 909)
Value impairment write-offs for inventories	23 786	9 923
Tangible fixed assets impairment write-offs	(7 893)	(789)
Reversal of tangible fixed assets impairment write-offs	250	329
Total impact on profit/loss	12 532	2 863

Valuation to fair value of investment properties

	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023
Valuation to fair value of investment properties	33 703	17 352



Boryszew Capital Group

Abbreviated mid-year consolidated financial statements for the period between 1 January and 30 September 2024, drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Provision for employee benefits

Provision for employee benefits	Retirement severance pay	Disability severance pay	Death benefits	Long-service benefits	Provision for payments in lieu of leaves not taken	Bonuses and other benefits	Total
Balance on 01.01.2024	9 863	1 095	823	8 201	22 192	14 174	56 348
Movement:	(948)	(44)	-	(1 782)	(2 136)	(2 171)	(7 081)
<i>Interest expense</i>	12	-	-	-	-	-	12
<i>Current employment costs</i>	(813)	(44)	-	-	1 806	8 481	9 430
<i>Past employment costs</i>	-	-	-	(1 117)	(1 446)	(2 401)	(4 964)
<i>Benefits paid</i>	(331)	-	-	(413)	(2 297)	(8 139)	(11 180)
	-	-	-	-	-	-	-
<i>impact of exchange rate differences and other</i>	179	-	-	(252)	(199)	(112)	(384)
<i>Actuarial gains and losses - demographic changes</i>	-	-	-	-	-	-	-
<i>Actuarial gains and losses - financial changes</i>	5	-	-	-	-	-	5
Balance on 30.09.2024	8 915	1 051	823	6 419	20 056	12 003	49 267
Change	(948)	(44)	-	(1 782)	(2 136)	(2 171)	(7 081)
<i>change recognised in P&L (- cost, + decrease in cost)</i>	(953)	(44)	-	(1 782)	(2 136)	(2 171)	(7 086)
<i>Change included in equity (gain+/lose-)</i>	5	-	-	-	-	-	5
long-term provisions	15 141						
short-term provisions	34 126						



Boryszew Capital Group

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(amounts expressed in PLN '000 unless specified otherwise)

Provision for employee benefits	Retirement severance pay	Disability severance pay	Death benefits	Long-service benefits	Provision for payments in lieu of leaves not taken	Bonuses and other benefits	Total
Balance on 01.01.2023	7 773	906	743	8 429	22 214	15 862	55 927
Movement:	2 090	189	80	(228)	(22)	(1 688)	421
Inclusion of entities in consolidation	192	97	192	-	1 011	777	2 269
Interest expense	408	42	41	224	-	-	715
Current employment costs	879	121	45	349	5 980	10 597	17 971
Past employment costs	-	-	-	-	(1 146)	-	(1 146)
Benefits paid	(1 142)	(67)	(126)	(598)	(4 099)	(11 818)	(17 850)
impact of exchange rate differences and other	(340)	(97)	(192)	(350)	(1 768)	(1 244)	(3 991)
Actuarial gains and losses - demographic changes	279	(25)	(75)	(31)	-	-	148
Actuarial gains and losses - financial changes	1 814	118	195	178	-	-	2 305
Balance on 31.12.2023	9 863	1 095	823	8 201	22 192	14 174	56 348

long-term provisions	17 128
short-term provisions	39 220



Boryszew Capital Group

Abbreviated mid-year consolidated financial statements for the period between 1 January and 30 September 2024, drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Other Reserves Status Change

01.01.2024 - 30.09.2024	Movement in the period						Balance on 30.09.2024
	Balance on 01.01.2024	creation of provision	provisions used during the year	reversal of unused provision	exchange differences on translation and other	Provisions of acquired/disposed entities	
Provisions for restructuring costs	9 158	14 649	(12 329)	-	(301)	-	11 177
Provisions for liquidation of fixed assets	5 222	384	-	-	-	-	5 606
Provisions for waste disposal and land reclamation	11 904	1 268	(507)	-	-	-	12 665
Provisions for non-execution of contracts	16 568	2 480	(1 853)	(535)	(282)	-	16 378
Provisions for court proceedings	4 741	-	(2)	(543)	(41)	-	4 155
Provisions for warranty repairs, complaints	8 380	601	(722)	1 183	(79)	-	9 363
Provision for tax risks and fiscal claims	146 187	1 678	-	(50 010)	(106)	-	97 749
Provisions for loss-making contracts (onerous contracts)	2 287	1 567	(3 438)	-	(15)	-	401
Total	204 447	22 627	(18 851)	(49 905)	(824)	-	157 494
long-term provisions	47 158						
short-term provisions	110 336						

01.01.2023 - 31.12.2023	Movement in the period						Balance on 31.12.2023
	Balance on 01.01.2023	creation of provision	provisions used during the year	reversal of unused provision	exchange differences on translation and other	Provisions of acquired/disposed entities	
Provisions for restructuring costs	1 879	8 122	-	-	(843)	-	9 158
Provisions for liquidation of fixed assets	4 817	436	-	(31)	-	-	5 222
Provisions for waste disposal and land reclamation	10 238	1 859	(193)	-	-	-	11 904
Provisions for non-execution of contracts	12 133	6 598	(1 598)	(268)	(558)	261	16 568
Provisions for court proceedings	1 639	3 383	(200)	(36)	(45)	-	4 741
Provisions for warranty repairs, complaints	8 367	2 603	(2 004)	(455)	(131)	-	8 380
Provision for tax risks and fiscal claims	177 237	5 478	(35 065)	(1 421)	(42)	-	146 187
Provisions for loss-making contracts (onerous contracts)	9 080	4 221	(2 311)	(8 026)	(677)	-	2 287
Total	225 390	32 700	(41 371)	(10 237)	(2 296)	261	204 447
long-term provisions	48 379						
short-term provisions	156 068						

Transactions with affiliated entities

	Associates	Personally related entities
in the period 01.01.2024 - 30.09.2024		
Revenues from sales (of products, services, goods)	798	4 901
Interest income	-	34
Purchase of goods and services	6 010	5 645
balance on 30.09.2024		
Trade receivables	108	1 019
Trade liabilities	562	639

	Associates	Personally related entities
in the period 01.01.2023 - 30.09.2023		
Revenues from sales (of products, services, goods)	684	79 974
Interest income	-	3 414
Purchase of goods and services	7 209	3 934
balance on 30.09.2023		
Trade receivables	27	38 652
Loans granted	-	16 757
Trade liabilities	950	445

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 Q3 '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.

According to the adopted Business Strategy for Boryszew Group for 2024 - 2028, the low-margin activities of the Chemistry Segment will be gradually extinguished. The Management Board of Boryszew S.A. also decided to

implement organisational changes in the Company, that involve shutdown of the operating activity and launch of liquidation of the Elana Branch based in Toruń, which is part of the assets of the Chemical Segment.

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.

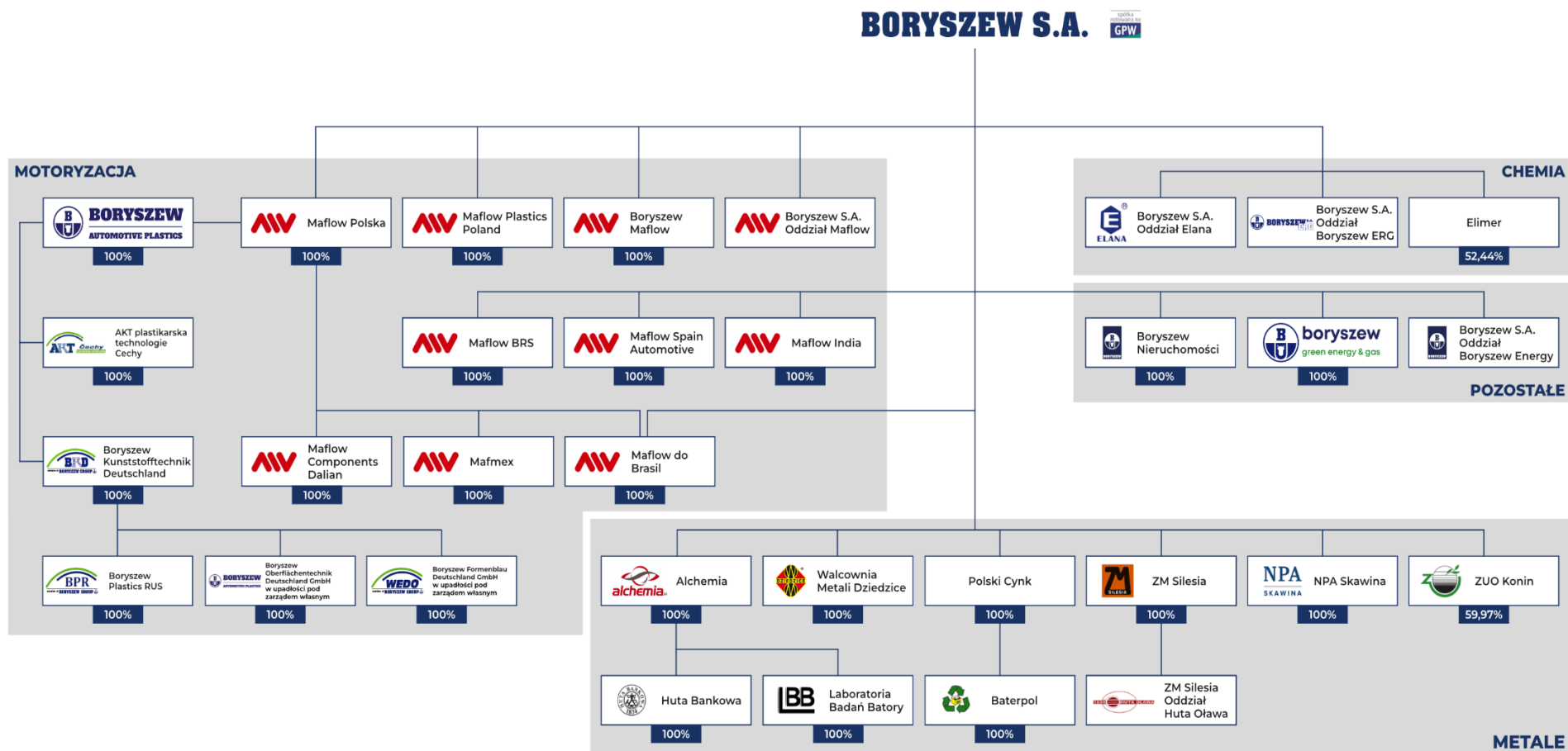
On 6 November 2020 Boryszew S.A. sold Impexmetal S.A. to a third party (Gränges AB).

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 30 SEPTEMBER 2024)



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 Automotive Plastics Group

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).

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.

On 2 July 2024, Boryszew S.A. received letters from the Neuruppin District Court of 1 July 2024, on the opening on the same date of bankruptcy proceedings against Boryszew Oberflächentechnik Deutschland GmbH (Germany) and Boryszew Formenbau Deutschland GmbH (Germany), under self-administration, in accordance with German bankruptcy law.

Alchemia S.A.

Start of the process of liquidation of Walcownia Rur Andrzej Branch in Zawadzkie

On 20 May 2024, the Management Board of Alchemia S.A. decided to start the process of liquidation of Alchemia Spółka Akcyjna branch Walcownia Rur Andrzej in Zawadzkie ("WRA").

The Management Board of Alchemia S.A. decided to initiate the liquidation process, considering, among other things, the anticipated inability of WRA to compete in the market, due to obsolete production technology, high cost of maintaining production activities of WRA and the anticipated steady increase in these costs, technologically and economically unjustified increase in expenditure on repairs and upgrading production technology, and the anticipated higher business benefits resulting from the liquidation of assets of WRA versus those from maintaining production activities. Alchemia S.A. provisionally estimated the costs associated with WRA decommissioning processes at PLN 25 million.

Alchemia S.A.

On 30 June 2024 the District Court for the capital city of Warsaw in Warsaw, 12th Commercial Division of the National Court Register, having reviewed the application of Alchemia S.A., decided to delete Kuźnia Batory in Chorzów, a branch of Alchemia S.A., from the National Court Register.

Maflow Group

Registration of an increase in the share capital of Maflow Plastics Poland Sp. z o.o.

On 5 July 2024 the District Court in Toruń, 7th Commercial Division of the National Court Register made an entry in the Register of Entrepreneurs of an increase in the share capital of Maflow Plastics Poland Sp. z o.o. from PLN 85 000 000.00 to PLN 86 050 000.00, i.e. by the amount of PLN 1 050 000.00, through creation of 2 100 new shares

with a value of PLN 500.00 each. On the publication date of the report the share capital of Maflow Plastics Poland Sp. z o.o. amounts to PLN 86 050 000.00 and is divided into 172 100 shares. Boryszew S.A. is the sole shareholder of the company.

Events after the balance sheet date

Alchemia S.A.

art of the process of liquidation of Rurexpol Branch in Częstochowa.

On 4 November 2024, the Management Board of Alchemia S.A. decided to start the process of liquidation of Alchemia Spółka Akcyjna branch Rurexpol in Zawadzkie ("Branch").

The Management Board of Alchemia S.A. decided to initiate the liquidation process, considering, among other things, the anticipated inability of the Branch to compete in the market due to the deteriorating situation in the European steel industry resulting in a decline in demand for products manufactured by the Branch, due to obsolete production technology, high cost of maintaining production activities and the anticipated steady increase in these costs, technologically and economically unjustified increase in expenditure on repairs and upgrading production technology, and the anticipated higher business benefits resulting from the liquidation of assets of the Branch versus those from maintaining production activities.

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 and publication 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.

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 30.09.2024 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:				
Boryszew S.A. (**)	34 795 000	14.50%	34 795 000	14.50%
RKKK Investments Sp. z o.o.	119 998 000	49.99%	119 998 000	49.99%
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.

On 30 September 2024 and the publication date of the Financial Statements Boryszew S.A. holds directly and indirectly through subsidiaries shares of Boryszew S.A:

- Boryszew S.A. - 34 795 000 treasury shares, representing 34 795 000 votes at the General Meeting, which accounts for approximately 14.498 % share in the share capital and total number of votes at the General Meeting of Boryszew S.A.,
- Alchemia S.A. - 3 200 000 shares of Boryszew S.A., representing 3 200 000 votes at the General Meeting, which accounts for approximately 1.333 % share in the share capital and total number of votes at the General Meeting of Alchemia S.A.,
- Polski Cynk Sp. z o.o. - 5.000 shares of Boryszew S.A., representing 5 000 votes at the General Meeting, accounting for 0.002% of share capital and the total number of votes at the General Meeting of Boryszew S.A.

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

Between the submission for publication of the report for the first six months of 2024 on 14 August 2024 and the publication of the report for 3 quarters on 19 November 2024, no changes occurred to 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;

- b) 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.

From the date of submission of the report for Q1 '2024 to the date of publication of the report for Q3 '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	30 000	-	30 000

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

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.

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 S.A. 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 is now final.

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 28.6 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.

In a decision of 25 June 2024, the Director of the Fiscal Administration Chamber in Warsaw, revoked in its entirety the decision of the Head of the Customs and Tax Office in Opole of 29 December 2022 (ref. 388000-CKK-1.4100.10.202074) determining the outstanding VAT liability for relevant months of 2012 and discontinued the proceedings due to the statute of limitations on tax liabilities. The above decision finally ends the tax dispute.
- 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. 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 of bank accounts.

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 of the Act of 30 August 2021 - Law on proceedings before administrative courts. 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 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, which has not yet determined a hearing date.

- 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 help them maintain the right to deduct input tax despite the occurrence of tax irregularities at earlier stages of the disputed supplies. 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. 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.

On 26 June 2024 the Provincial Administrative Court in Krakow issued a judgment revoking in its entirety the appealed decision of the Head of the Małopolskie Customs and Fiscal Office in Krakow of 27 December 2023 on the tax on goods and services for the period between January 2015 and June 2015. The court accepted the plea

that the tax liability was time-barred. The judgment is not final, as a cassation appeal has been filed with the Supreme Administrative Court.

In addition, the objections filed by the Company in the enforcement proceedings were dismissed by the Head of the First Mazovian Tax Office in Warsaw. The Director of the Fiscal Administration Chamber in Warsaw, after considering complaints against the decisions of the Head of the First Mazovian Tax Office in Warsaw, decided to uphold the appealed decisions. On 3 June 2024 the Company has filed complaints with the Warsaw Administrative Court against the decisions of the Director of the Fiscal Administration Chamber in Warsaw on enforcement charges. In October 2024, the Provincial Administrative Court in Warsaw, after hearing a summary judgment on the Company's complaint on charges in the enforcement proceedings, dismissed the complaints. The Company has filed motions for substantiation of judgments.

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 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.
On 20 June 2024 the Provincial Administrative Court in Wrocław revoked the appealed decision and the preceding decision of the first instance authority. The ruling is not final. On 23 August 2024 the Director of the Fiscal Administration Chamber in Wrocław filed a cassation appeal with the Supreme Administrative Court. The date of the hearing before the Supreme Administrative Court has not yet been determined.
- 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. 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 11.7 million 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. On 6 May 2024 the Head of the Fiscal Administration Chamber in Wrocław filed a cassation complaint. On 7 June 2024, the Company filed a response to the cassation complaint. Until the date of publication of the report, the NSA had not scheduled a hearing date.

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. Given the different assessment of the above circumstances, the Company filed an appeal against the above decision of the Authority. In order to stop further accrual of default interest, on 20 December 2023 the Company paid the principal amount of the liability, i.e. PLN 23.03 million, together with interest in the amount of PLN 18.96 million, 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, while questioning the findings of the auditors. 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 S.A. 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 hearing in the case was held on 3 October 2024, and by the judgment of the aforementioned Court the appealed decision was revoked. The judgment is not yet final, and the parties have the right to file cassation complaints with the Supreme Administrative Court.

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 30 September 2024 is PLN 97 749 (high risk). Furthermore, the Group recognises contingent liabilities in the amount of PLN 95 346 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 2.83 million. 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: 31 December 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. to enforce the amount of PLN 2.2 million and Q 77 s.r.o. to enforce the amount of EUR 1.9 million, 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 USD 0.33 million with incidental receivables and the amount of USD 1.34 million with incidental receivables (currently the amount of USD 1.46 million). 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. On 17 January 2024 the court of first instance dismissed the lawsuit. SILKADA LTD appealed timely the judgement of the Kosice City Court of 17 January this year. SILKADA LTD assigned the aforementioned receivables to OSP real, s.r.o. In July this year, the case file was forwarded the Kosice District Court. No hearing date has yet been determined.
 - lawsuit by Boryszew S.A. for payment of USD 1.46 million with incidental receivables from Komerční banka, a.s., for possible unjust enrichment, conducted in the Bratislava City Court, because it was the bank account of this bank that Nowoczesne Produkty Aluminiowe "Skawina" Sp. z o.o. made transfers to in 2010 and 2011. The proceedings relate to the payment of USD 1.46 million with incidental receivables, i.e. the amount paid in 2011, as with regard to the 2010 transfers, the plaintiff Nikola Jankovicsová (or SILKADA LTD) did not present any legal arguments challenging these transfers. Along with the lawsuit, the company requested a stay of these proceedings pending the conclusion of the aforementioned proceedings in the Košice II District Court (now Košice City Court). A hearing date of the case has not been determined, nor has an order been issued to suspend the proceedings.

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 material non-commercial transactions between related parties (outside Boryszew Group) occurred in Q3 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 30 September 2024 no overdue liabilities occurred due to borrowings and loans and no breach occurred of material provisions of borrowing and loan agreements other than those described below for which corrective action has not been taken.

Due to the current market situation in the European Union, the financial covenants in the loan agreements of the Group companies listed below have not been met:

- ZM SILESIA S.A. - net debt/ EBITDA ratio, Huta Bankowa Sp. z o.o. - debt service coverage ratio (DSCR); at the moment of publication, the aforementioned companies anticipate no consequences following the non-fulfillment of loan agreements.
- Walcownia Metali Dziedzice SA (WMD) - net debt/ EBITDA ratio, inventory value level, and accounts receivable level; the company is in explanatory talks with financial institutions. The Parent Company and WMD anticipate no impact of the above events on the company's liquidity.

Liabilities under these contracts are presented as short-term loans in the financial statements.

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. TO COMPANIES OF THE CAPITAL GROUP AS AT 30.09.2024

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 30.09.2024

Entity on whose behalf the surety or guarantee was issued	Entity to which surety or guarantee was granted	Value of guarantee	Expiry date of guarantee
MAFMEX S. de R.L. de C.V.	Mafmex's performance bond for AB Volvo	21 396	term of the Agreement
	Mafmex's rent payment bond to Innova Dintel	11 385	01.01.2030
	BMW AG performance bond	25 675	contract period + 15 years
Maflow Components Dalian Co Ltd.	BMW AG performance bond	25 675	contract period + 15 years
Boryszew Oberflächentechnik Deutschland GmbH in bankruptcy under self-administration	Guarantee granted to Investitionsbank des Landes Brandenburg	21 448	16.01.2026
Total		105 579	

Guarantees and sureties as at 31.12.2023

Entity on whose behalf the surety or guarantee was issued	Entity to which surety or guarantee was granted	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
Maflow Components Dalian Co Ltd.	BMW AG performance bond	26 088	contract period + 15 years
Total		83 216	

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

OTHER IMPORTANT EVENTS

BORYSZEW S.A.

Change in the balance of impairment losses on financial assets of Boryszew S.A.

Following the completion on 2 August 2024 of the review of the status of tax proceedings in subsidiary ZM SILESIA SA, which the Issuer announced in current and interim reports, carried out in the process of preparing the consolidated report for the first half of 2024, Boryszew S.A. reassessed the risks associated with these audits. As a result of the assessment, the Issuer chose to release some of the provisions recognised for the pending audits, amounting to PLN 50 million.

In Q3 '2024 the reserve capital did not change.

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 17 May 2022.

Completions of the programme for buy-back of treasury shares of Boryszew S.A.

On 25 June 2024, due to the expiry of the period for which it was adopted, the share buy-back program, adopted by resolution No. 22 of the Ordinary General Meeting of Shareholders of 25 June 2019 terminated.

As a result of the implementation of resolution No. 22 of the Ordinary General Meeting of Boryszew S.A., on 30 October 2020 the Company purchased a total of 13 346 169 shares of Boryszew S.A. with a nominal value of PLN 1.00 each, at an average price of PLN 2.69, i.e. for a total amount of PLN 35 901 194.61 in block transactions on the WSE.

The acquired shares account for 5.56% of the share capital and correspond to 13 346 169 votes at the General Meeting, i.e. 5.56% of the total number of votes.

Under the resolution referred to above the shares acquired under the buyback program will be held for redemption.

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 March 27, 2024, Boryszew S.A. and Maflow Components Dalian Co. Ltd ("Maflow China") entered into an investment and working capital loan agreement with Bank Gospodarstwa Krajowego ("BGK") with a total value of €8.5 million, of which €6.5 million is an investment loan and €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").

Estimation of costs associated with the liquidation of Alchemia S.A. WRA branch

Following the decision of Alchemia S.A., a subsidiary to start the process of liquidation of Walcownia Rur Andrzej Branch in Zawadzkie and when preparing the consolidated financial statement of Boryszew Capital Group for the first half of 2024, Alchemia S.A., based in Warsaw, estimated the costs associated with the process of liquidation of Walcownia Rur Andrzej Branch in Zawadzkie at PLN 25 million. At the end of Q3 '2024, PLN 12.7 million was used.

Estimation of costs associated with the liquidation of Alchemia S.A. Rurexpol branch

Following the decision of Alchemia S.A., a subsidiary, of 04.11.2024 to start the process of liquidation of Rurexpol Branch in Częstochowa and when preparing the consolidated financial statement of Boryszew Capital Group for the third quarter of 2024, Alchemia S.A., a subsidiary based in Warsaw advised that the process of estimating the recoverable value of assets of the Branch, including the costs related to the process of liquidation of the Branch, is in progress and their amount will be announced after the estimation is completed.

REAL ESTATE TRANSACTIONS

Boryszew S.A.

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 Q3 '2024 and until the publication date of the report, Boryszew S.A. sold or acquired no 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. The final agreement was concluded on 6 November 2024.

On 14 June 2024 the company received the remainder of the price in the amount of PLN 37 million from the sale of an office property located in Warsaw at Foksal street No, 6, for a net price of PLN 72.1 million (the agreement was concluded with an individual personally related to the Issuer on 13 June 2023).

On 28 June 2024 Boryszew Nieruchomości Spółka z o.o. signed a final agreement for the sale of an investment property located in Toruń on Chrzanowskiego street, for a net amount of PLN 8.7 million.

In Q3 '2024, Boryszew Nieruchomości spółka z o.o. sold real estate located in Toruń, total surface area of 1.0312 hectares, for a total of PLN 1.5 million.

NPA Skawina Spółka z o.o.

In 2024, NPA Skawina Spółka z o.o. acquired the right of perpetual usufruct of a developed real estate located 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.

Implementation of the Group's development investments

ZAKŁAD UTYLIZACJI ODPADÓW SPÓŁKA Z O.O.

Given the increasing demand for hazardous waste management in recent years, the Management Board of Zakład Utylizacji Odpadów Spółka z o.o. decided in 2021 to build an additional line for thermal treatment of hazardous waste featuring a capacity of 12 000 Mg/year. The installation is scheduled to be commissioned in 2027.

Implementation of the additional hazardous waste thermal treatment line will improve the environment through controlled and safe thermal management of hazardous waste. It will also improve the competitive position of the company, impact its business performance in subsequent years of operation, and contribute to a significant increase in its valuation. The process of thermal conversion of waste at the new installation will generate heat and electricity. On the date of publication of the report, ZUO is in the process of obtaining the required decisions and permits necessary to start the investment.

Boryszew Nieruchomości Spółka z o.o.

Construction of installation for the thermal treatment of municipal waste

On 20 October 2023, Boryszew Nieruchomości Sp. z o.o. signed an agreement with the National Fund for Environmental Protection and Water Management on a funding for an investment involving the construction of an installation for thermal transformation of municipal waste in Toruń.

Funding will be provided in the form of a loan (PLN 63.95 million) and a non-refundable grant (PLN 63.95 million). Basic assumptions of the installation:

1. Total construction cost: PLN 166 million,
2. The capacity of the processing line in the new plant will be sufficient to process more than 23 000 tonnes of waste per year. The installation will be constructed as a combined heat and power plant, generating electricity and heat through the thermal conversion of high-calorie fraction of municipal waste (pre-RDF/RDF fuels). It will generate electricity and heat in high-efficiency cogeneration with a total capacity of more than 7 MW.
3. The planned (average annual) gross CHP electrical capacity will be 0.59 MWe, and CHP heat capacity will be 6.88 MWt. The surplus electricity will be sold to the local distribution network, while the heat will feed the public district heating networks: on the site of ELANA Industrial Park and the municipal district heating network of the city of Toruń.
4. The plant will be constructed based on proven grate furnace technology with a water (or steam) boiler featuring an efficient flue gas cleaning system, with the necessary infrastructure.

As per the agreement, should a finale environmental decision on the planned subsidised investment be not submitted within 12 months of the date of signing the agreement, the agreement is terminated by mutual consent of the parties.

On the date of publication of the report, Boryszew Nieruchomości is in the process of obtaining the required decisions and permits necessary to start the investment. The installation is scheduled to be commissioned in 2027.

Boryszew Inwestycje Spółka z o.o.

Boryszew Inwestycje Sp. z o.o. commenced works on projects for the construction of electricity storage facilities in locations belonging to Boryszew Capital Group (Sochaczew, Toruń and Skawina). The scope of activities includes, in particular, the submission of applications for grid connection conditions for different projects and the development of feasibility studies, decisions and certifications for these projects.

On the date of publication of the report, Boryszew Inwestycje is in the process of obtaining the required decisions and permits, as well as conditions for connection to the power grid of relevant DSO, necessary to launch the investment.

NPA Skawina Spółka z o.o.

The company is in the process of implementing a project to increase processing capacity in converting semi-finished aluminum wire rod and aluminum alloys into high-margin products in order to increase its presence in strategic European markets. The project involves the expansion of the production area and the installation of additional



Boryszew Capital Group

Abbreviated mid-year consolidated financial statements for the period between 1 January and 30 September 2024, drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

equipment (including a twisting machine, a drawing machine, a rewinding machine) to convert the basic product (aluminum wire rod) into a higher value-added product (aluminum cables). After the investment, NPA Skawina will increase production capacity by 2028, reaching an additional production volume of some 6 000 tonnes per year. The additional line at NPA Skawina assumes a higher level of digitisation by about 10-15% compared to the Company's already operational line

WM Dziedzice SA

The company launched works (the contract was signed on 29 December 2023) on the project: "EG BRASS DW® (extra grade brass for drinking water) - a new assortment group of brass extruded and drawn products with increased resistance to dezincification dedicated to drinking water installations" subsidised by the EU. The estimated value of the project is PLN 36.5 million, the planned value of funding is PLN 18.8 million.

Events after the balance sheet date

No material events took place after the balance sheet date.

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., to the best of their knowledge, represents that the consolidated financial statements of Boryszew Capital Group and the comparative data for three quarters of 2024 were compiled as per 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.



MID-YEAR ABBREVIATED FINANCIAL STATEMENTS

Boryszew S.A.

for the period between 1 January and 30 September 2024


Boryszew S.A.

Abbreviated mid-year financial statements for the period between 1 January and 30 September 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 - 30.09.2024	01.01.2023 - 30.09.2023	01.07.2024 -30.09.2024	01.07.2023 -30.09.2023
Revenues from sales	1 223 165	1 381 760	357 114	408 884
Prime cost of sale	1 113 690	1 268 713	327 766	380 915
Gross profit on sales	109 475	113 047	29 348	27 969
Selling costs	11 138	14 619	4 021	4 830
Administrative expenses	77 207	82 389	24 595	26 059
Other operating revenue	167 314	111 381	25 707	16 121
Other operating expenses	26 173	19 248	8 565	9 355
Operating income	162 271	108 172	17 874	3 846
Financial revenues	56 073	72 224	18 223	10 832
Financial expenses	96 384	102 071	33 848	15 683
Profit before taxation	121 960	78 325	2 249	(1 005)
Income tax	5 113	(8 967)	(478)	(13 440)
Net profit	116 847	87 292	2 727	12 435
Earnings / Diluted earnings per share				
Weighted average number of shares	205 205 000	205 205 000	205 205 000	205 205 000
Earnings / Diluted earnings per share (PLN)	0.57	0.43	0.01	0.06

	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023	01.07.2024 -30.09.2024	01.07.2023 -30.09.2023
Net profit	116 847	87 292	2 727	12 435
Earnings recognised in equity				
Hedge accounting (before tax)	31	(4 941)	5	(25)
Measurement of financial assets			-	-
Income tax	(6)	939	(1)	5
Earnings recognised in equity, to be transferred to income statement	25	(4 002)	4	(20)
Gains/losses on valuation and disposal of equity instruments (before tax)	-	(1 241)	-	-
Income tax	-	236	-	-
Employee benefit capital reserve (before tax)	1	(417)	(1)	-
Income tax	-	79	-	-
Earnings recognised in equity, not to be transferred to income statement	1	(1 343)	(1)	-
Total earnings recognised in equity	26	(5 345)	3	(20)
Total comprehensive income	116 873	81 947	2 730	12 415


Boryszew S.A.

Abbreviated mid-year financial statements for the period between 1 January and 30 September 2024, drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

STATEMENT OF FINANCIAL POSITION

ASSETS	Balance on 30.09.2024	Balance on 31.12.2023	Balance on 30.09.2023
Non-current assets			
Tangible fixed assets	151 510	165 374	163 179
Investment property	28 171	21 702	21 702
Goodwill	-	-	-
Intangible assets	12 652	14 491	15 084
Right-of-use assets	101 831	114 406	89 351
Shares in subsidiaries and associates	887 189	886 639	875 557
Financial assets	75 669	46 576	159 595
Long-term receivables	135 719	119 100	137 148
Deferred tax assets	9 315	14 002	7 445
Total fixed assets	1 402 056	1 382 290	1 469 061
Current assets	798 561	804 517	844 147
Current assets other than assets held for sale			
Inventory	143 280	175 060	195 497
Trade receivables and other receivables	317 513	266 695	319 365
Short-term financial assets	331 453	330 142	295 130
Derivative financial instruments	-	3 777	4 203
Current tax receivables	852	4 032	3 605
Cash and cash equivalents	5 463	24 811	26 347
Total current assets	798 561	804 517	844 147
Total assets	2 200 617	2 186 807	2 313 208


Boryszew S.A.

Abbreviated mid-year financial statements for the period between 1 January and 30 September 2024, drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

LIABILITIES AND EQUITY	Balance on 30.09.2024	Balance on 31.12.2023	Balance on 30.09.2023
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	(2)	(27)	(71)
Capital reserve on translating employee payables	(348)	(349)	(271)
Revaluation reserve and gain on disposal of financial assets	-	3 433	3 433
Retained earnings	1 059 545	1 029 555	1 128 076
Total equity	1 237 631	1 211 048	1 309 603
Liabilities and long-term provisions			
Bank loans, borrowings	126 066	92 872	36 599
Lease and right-of-use liabilities	70 264	76 016	54 095
Employee benefit provisions	3 094	3 094	2 765
Other provisions	30 742	31 916	32 553
Trade payables and other liabilities	35 000	25 000	-
Other long-term liabilities	5 464	6 085	6 276
Liabilities and long-term provisions - total	270 630	234 983	132 288
Short-term liabilities			
Bank loans, borrowings	365 826	374 912	421 307
Lease and right-of-use liabilities	19 083	23 086	20 133
Trade payables and other liabilities	294 385	325 413	380 467
Tax liabilities	-	3 658	-
Employee benefit provisions	7 146	9 560	11 254
Other provisions	3 532	2 346	36 300
Other liabilities and equity	2 384	1 801	1 856
Liabilities and short-term provisions - total	692 356	740 776	871 317
Total liabilities and provisions	962 986	975 759	1 003 605
Total equity and liabilities	2 200 617	2 186 807	2 313 208


Boryszew S.A.

Abbreviated mid-year financial statements for the period between 1 January and 30 September 2024, drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

CASH FLOW STATEMENT

	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023
Cash flows from operating activities		
Profit before taxation	121 960	78 325
Adjustments for	(138 924)	15 030
Amortisation and depreciation	32 887	31 742
Profit/loss on financial activity (including interest on financial liabilities)	26 747	16 156
Dividends received	(125 283)	(77 353)
Profit / loss on investment activities	(10 913)	(1 662)
Change in receivables	(65 312)	(39 224)
Change in inventories	31 780	22 570
Change in liabilities	(25 094)	72 679
Change in provisions	(2 859)	(474)
Other items	32	(1 583)
Income tax paid	(909)	(7 821)
Net cash from operating activities	(16 964)	93 355
Cash flows from investment activities		
Proceeds from disposal of fixed assets	12 897	2 422
Proceeds from disposal of shares	-	12 191
Proceeds from dividend	125 283	75 104
Proceeds from repayment of loans granted	35 627	65 295
Other proceeds from investment activities	77	3 203
Expenses on acquisition of fixed assets	(5 771)	(10 805)
Acquisition of shares and stocks	(6 598)	(18 031)
Long term borrowings granted	(63 298)	(68 662)
Net cash from investing activities	98 217	60 717
Cash flows from financial activities		
Incomes on credit and loan facilities	42 222	8 873
Loans received	34 609	172 228
Other inflows	-	999
Dividends paid	(90 290)	(151 851)
Loans repaid	(21 642)	(13 938)
Repayment of borrowings	(29 047)	(127 068)
Interest paid on loans, borrowings and leasing	(25 976)	(19 687)
Payment of liabilities under finance lease agreements	(10 429)	(17 061)
Other financial outflows	(48)	(50)
Net cash from financing activities	(100 601)	(147 555)
Net change in cash	(19 348)	6 517
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	5 463	26 347
<i>Restricted cash</i>	<i>1 511</i>	<i>12 300</i>



Boryszew S.A.

Abbreviated mid-year financial statements for the period between 1 January and 30 September 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				25				25
Valuation of employee benefits					1			1
Profit/loss for 3 quarters 2024							116 847	116 847
Comprehensive income for 3 quarters of 2024.	-	-	-	25	1	-	116 847	116 873
Transfer to reserve capital of profit on disposal of equity instruments						(3 433)	3 433	-
Dividends paid							(90 290)	(90 290)
Balance on 09.30.2024	248 906	112 346	(182 816)	(2)	(348)	-	1 059 545	1 237 631

	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 mid-year financial statements for the period between 1 January and 30 September 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				(4 002)				(4 002)
Valuation of employee benefits					(338)			(338)
Recognition/disposal of financial assets through comprehensive income for 3 quarters 2023.						(1 005)		(1 005)
Profit/loss for 3 quarters 2023							87 292	87 292
Total income for 3 quarters of 2023	-	-	-	(4 002)	(338)	(1 005)	87 292	81 947
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 30.09.2023	248 906	112 346	(182 816)	(71)	(271)	3 433	1 128 076	1 309 603

**Boryszew S.A.**

Abbreviated mid-year financial statements for the period between 1 January and 30 September 2024, drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

ADDITIONAL INFORMATION**TO ABBREVIATED INTERIM FINANCIAL STATEMENTS
OF BORYSZEW S.A. FOR 3 QUARTERS OF 2024**

The data presented for the 3-month period between 1 July and 30 September 2024 and the corresponding period in 2023 have been compiled as the difference between the data for the 9-month period ended 30 September 2024 and the data for the 6-month period ended 30 June 2024, data determined similarly for the comparable period. The report for the first half of 2024 containing the data used for the calculation described above was made public on 14 August 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, Adam Holewa represent that to the best of their knowledge the consolidated financial statements for Q3 '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 nine 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 - 30.09.2023	4.5773	4.6356
01.01 - 31.12.2023	4.5284	4.3480
01.01 - 30.09.2024	4.3022	4.2791



ACCOUNTING PRINCIPLES

Accounting principles (policy) of applied when drafting these quarterly separate financial statements for the period of 9 months ended on 30 September 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.

These financial statements have been prepared on the assumption that the Company will continue as a going concern for a period of at least 12 months from 30 September 2024. As of the date of approving these financial statements for publication no circumstances have been identified that could indicate that the continuation of Company's operations is endangered.

New IFRS, interpretations and amendments to IAS and IFRS:

- **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. The above changes have immaterial impact on the Company's financial data.
- **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.
- **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 does not perceive any material impact of the amended standard on the disclosures reported or to be reported after the application of the amended standard on the information presented in these interim financial statements.
- **IFRS 14 *Regulatory deferral accounts*** (published on 30 January 2014) - in accordance with the European Commission's decision, the approval process for the standard in its preliminary version will not be initiated before the standard in its final version is published - not approved by the EU as of the date of approval of these financial statements - effective for annual periods beginning on or after 1 January 2016;
- **Amendments to IFRS 10 and IAS 28: *Sale or in-kind contribution of assets between an investor and its associated entity or joint venture*** (published on 11 September 2014) - the work leading to the approval of these amendments are postponed indefinitely by the EU - the effective date has been postponed indefinitely by the IASB;
- **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.

- **IFRS 18 "Presentation and disclosure in financial statements"**

The standard was published on 9 April 2024 and applies to annual reporting periods beginning on or after 1 January 2027. The standard has not yet been adopted by the European Union. IFRS 18 sets out presentation and disclosure requirements for financial statements to ensure that they provide relevant information to faithfully reflect an entity's assets, liabilities, equity, income and expenses. The standard will replace IAS 1 "Presentation of Financial Statements." The Company is in the process of reviewing the above standard

- **IFRS 19 "Subsidiaries without public accountability: disclosure of information"**

IFRS 19 is effective for annual periods beginning on or after 1 January 2027. The standard has not yet been adopted by the European Union. IFRS 19 introduces limited disclosure requirements in the financial statements of subsidiaries without public accountability and whose parent company prepares consolidated financial statements that are publicly available and conform with IFRS. The standard has no material impact on the consolidated financial statement of the Company.

- **Amendment to IAS 12 Income Taxes: International tax reform - model principles of Pillar II (global minimum tax)** published on 23 May 2023.

The amendments give companies a temporary exemption from accounting for deferred taxes resulting from the Organisation for Economic Cooperation and Development's (OECD) international tax reform. The company applied the exemption immediately.

- **Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"** published on 30 May 2024.

The amendments clarify the rules for classifying financial assets taking into account environmental, social, corporate governance (ESG) and similar characteristics associated with the asset. The amendments also apply to the settlement of liabilities through electronic payment systems - they clarify the date on which a financial asset or liability is derecognized. The amendments are effective for annual periods beginning on or after 1 January 2026.

The Company will apply the amended standard as of 1 January 2026 or later. On the date of drafting of these financial statements, it is not possible to reliably estimate the impact of application of the new standard.

- **Amendments to various standards resulting from the annual review of the International Financial Reporting Standards (Annual Improvements Volume 11)** published on July 18, 2024.

On 18 July 2024, following the review of IFRS, minor amendments were introduced to the following standards:

- IFRS 1 - on hedge accounting for first-time adopters;
- IFRS 7 - on recognition of gain or loss on discontinued recognition of financial instruments, disclosure of deferred difference between fair value and transaction price, and introduction and disclosure of credit risk;
- IFRS 9 - on the discontinuation of recognition of lease liabilities and clarification of the definition of "transaction price" in conjunction with IFRS 15;
- IFRS 10 - on clarification of the term "de facto agent."
- IAS 7 - on clarification of the term "cost method."

They are mostly applicable for annual periods beginning 1 January 2026, with early application possible.

The Company will apply the amended standards as of 1 January 2026 or later. On the date of drafting of these financial statements, it is not possible to reliably estimate the full impact of application of the new standard.

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 30.09.2024	Balance on 31.12.2023	change
Sureties for the repayment of loans and other liabilities by associated companies	474 138	479 821	(5 683)
Total	474 138	479 821	(5 683)

Contingent items	Balance on 30.09.2024	Balance on 31.12.2023	change
Contingent liabilities	474 138	479 821	(5 683)
resulting from granted guarantees, sureties and other liabilities	474 138	479 821	(5 683)
- guarantees and sureties associated with performance of contracts	142 285	144 980	(2 695)
- guarantees and sureties in favour of financial institutions	331 853	334 841	(2 988)
Increases / decreases in the period of 9 months ended on 30.09.2024, of which:			(5 683)
Additions			114 521
- Increase due to valuation of sureties			-
- Increase in surety amount			114 521
Reductions			(120 204)
- Reduction due to valuation of sureties			(2 437)
- Decrease in the amount of existing sureties due to expiration, reduction			(117 767)

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 0.79 million) and Mafmex S. de R.L. de C.V. (PLN 8.74 million), due to an increase in the guarantee issued to Mafmex S. de R.L. de C.V. for liabilities to Innova Dintel (2.09 million), granting of a new guarantee to HSBC Continental Europe Italy for a loan granted to Maflow BRS s.r.l. (PLN 21.40 million), guarantee granted to Trafigura II PTE. LTD for trade liabilities of NPA Skawina Spółka z o.o. (PLN 4.28 million), granting a new promissory note surety for Bank Millennium to secure the reverse factoring of NPA Skawina Sp. z o.o. (PLN 9.44 million), granting a new promissory note surety for Bank PEKAO Leasing Sp. z o.o. to secure the lease of Boryszew Assets Spółka z o.o. (PLN 6.51 million), granting a new Alior Bank guarantee for ZM Silesia S.A. (PLN 5.00 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), increase in the surety granted to Glencore International AG to secure Z.M. Silesia S.A.'s trade liabilities (PLN 17.08 million), granting a guarantee to Investitionsbank des Landes Brandenburg for the grant awarded to Boryszew Oberflächentechnik Deutschland GmbH (PLN 21.45 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 12.75 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 62.89 million), expiry of the guarantee granted to Glencore International AG at HSBC for Silesia S.A. under a guarantee line (PLN 6.52 million), expiry of the guarantee granted to Borealis AG (PLN 4.35 million) for the companies' commercial obligations: Maflow Plastics Poland Sp. z o.o., Boryszew Kunststofftechnik Deutschland GmbH and AKT Plastikarska Technologie Czechy Spol. s.r.o, expiry of the guarantee granted to BGK for Boryszew Oberflächentechnik Deutschland GmbH following full repayment of the 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 6.42 million), reduction of liabilities under a promissory note surety issued to Coface Poland Factoring Sp. z o.o. to secure reverse factoring for Alchemia Sp. z o.o. (PLN 11.18 million), reduction of liabilities under a promissory note surety to Sopockie Towarzystwo Ubezpieczeń Ergo Hestia S.A. to secure an advance refund guarantee (PLN 9, 58 million) and reduction of liabilities under the guarantee issued to Intensa Bank for Maflow BRS s.r.l. (PLN 4.25 million).

Status of current warranties and guarantees as at 30.09.2024.

Entity on whose behalf the surety or guarantee was issued	Entity to which surety or guarantee was granted	Value of guarantee	Expiry date of guarantee
Boryszew Oberflächentechnik Deutschland GmbH in bankruptcy under self-administration	Guarantee granted to Investitionsbank des Landes Brandenburg	21 448	16.01.2026
Maflow Plastics Poland Sp. z o.o.	Guarantee granted to HSBC Continental Europe Branch in Poland	3 634	31.01.2026
	Endorsement of lease agreement for mLeasing	30	15.12.2024
	Endorsement of lease agreement for mLeasing	58	15.12.2024

Entity on whose behalf the surety or guarantee was issued	Entity to which surety or guarantee was granted	Value of guarantee	Expiry date of guarantee
	Endorsement of lease agreement for mLeasing	30	15.12.2024
	Endorsement of lease agreement for mLeasing	30	15.12.2024
	Endorsement of lease agreement for mLeasing	91	15.02.2025
	Endorsement of lease agreement for mLeasing	69	15.02.2025
	Guarantee granted to HSBC Factoring (France)	3 083	31.12.2033
Boryszew Kunststofftechnik Deutschland GmbH	Guarantee granted to Elix Polymers S.L.	1 626	31.12.2024
	Guarantee granted to Scholt Energy Control GmbH (under the Guarantee line at HSBC)	3 209	31.12.2024
1) Maflow Plastics Poland Sp. z o.o. 2) Boryszew Kunststofftechnik Deutschland GmbH 3) AKT plastikářská technologie Čechy Spol. s.r.o.	Guarantee granted to Basell Sales & Marketing Company B.V.	8 558	31.12.2024
Maflow BRS s.r.l.	Guarantee granted to Intesa Bank	11 674	30.11.2026
	Guarantee granted to HSBC Continental Europe Italy	21 396	05.02.2034
MAFMEX S. de R.L. de C.V.	Maflow's performance bond for AB Volvo	21 396	term of the Agreement
	Maflow's rent payment bond to Innova Dintel	11 385	01.01.2030
	BMW AG performance bond	25 675	contract period + 15 years
	Guarantee granted to BNP Paribas S.A.	64 314	30.06.2031
	Guarantee granted to HSBC Mexico S.A.	19 097	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.	33 747	indefinite validity
	Lease surety for Volkswagen Financial Services Polska Sp. z o.o.	35	indefinite validity
	Lease surety for Volkswagen Financial Services Polska Sp. z o.o.	16	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	19 256	30.03.2025
	Surety granted to Alior Bank	5 000	04.08.2028
Maflow Components (Dalian) Co. Ltd.	Guarantee granted to HSBC Bank (China) Company Limited	16 338	18.01.2025
	BMW AG performance bond	25 675	contract period + 15 years
Boryszew Maflow Sp. z o.o.	Guarantee granted to BNP Paribas S.A.	67 633	30.06.2031
	Guarantee granted to BNP Paribas S.A.	16 261	28.06.2026
NPA Sp. z o.o.	Endorsement for Coface Poland Factoring Sp. z o.o.	6 799	indefinite validity
	Endorsement for Sopockie Towarzystwo Ubezpieczeń Ergo Hestia S.A.	2 783	26.11.2024
	Guarantee granted to Trafigura II PTE. LTD	4 279	30.01.2025
	Endorsement for Bank Millennium S.A.	9 435	indefinite validity
Alchemia S.A.	Endorsement for Coface Poland Factoring Sp. z o.o.	3 767	indefinite validity
Boryszew Assets Spółka z o.o.	Endorsement of lease agreement for PEKAO Leasing Sp. z o.o.	6 511	15.08.2029
Total guarantees and sureties granted by Boryszew S.A.		474 138	

Status of current warranties and guarantees as at 31.12.2023.

Entity on whose behalf the surety or guarantee was issued	Entity to which surety or guarantee was granted	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 plastikářská technologie Čechy 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 plastikářská technologie Čechy 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.	Mafmex's performance bond for AB Volvo	21 740	term of the Agreement
	Mafmex'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
	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

Entity on whose behalf the surety or guarantee was issued	Entity to which surety or guarantee was granted	Value of guarantee	Expiry date of guarantee
	(under the Guarantee Line at HSBC)	6 522	30.04.2024
Mafrow 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 Mafrow 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
	Endorsement for Sopockie Towarzystwo Ubezpieczeń Ergo Hestia S.A.	12 367	20.09.2024
	Endorsement for Coface Poland Factoring Sp. z o.o.	14 946	indefinite validity
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 20 May 2024 the Ordinary General Meeting of the Company passed a resolution to pay a dividend to shareholders (from supplementary capital, which, according to art. 348 § the commercial companies code may be allocated for distribution) in the amount of PLN 0.44 per share entitled to dividend, that is, in the total amount of PLN 90 290 200.00.

205 205 000 shares were entitled to the dividend. 34 795 000 treasury shares held by Boryszew S.A. were not entitled to the dividend.

The dividend date was scheduled for: 27 May 2024.

The dividend payment date was: 4 June 2024.

The dividend was paid in accordance with resolution No. 19 of the Ordinary General Meeting of Boryszew S.A.

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

NON-EQUITY SECURITIES

The Company issued no non-equity securities in Q3 '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 the third quarter of 2024 and until the date of publication of the report, the Company issued no equity securities.



Boryszew S.A.

Abbreviated mid-year financial statements for the period between 1 January and 30 September 2024, drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

6. Operating segments

01.01.2024 - 30.09.2024	Chemical products	Automotive	Other non-allocated	Total	exclusions between segments	Total
Revenues from sales	118 172	590 961	514 964	1 224 097	(932)	1 223 165
Segment costs of sales	95 814	524 905	493 903	1 114 622	(932)	1 113 690
Result on sales within segment	22 358	66 056	21 061	109 475	-	109 475
General, administrative and sales expenses	22 507	46 183	19 655	88 345	-	88 345
Other operating profit/loss	4 493	6 563	130 085	141 141	-	141 141
Segment profit/loss	4 344	26 436	131 491	162 271	-	162 271
Amortisation and depreciation	4 213	27 383	1 291	32 887	-	32 887
EBITDA *)	8 557	53 819	132 782	195 158	-	195 158
Segment assets	130 888	795 268	1 434 361	2 360 517	(159 900)	2 200 617
Segment liabilities	97 944	702 592	322 350	1 122 886	(159 900)	962 986

01.01.2023 - 30.09.2023	Chemical products	Automotive	Other non-allocated	Total	exclusions between segments	Total
Revenues from sales	182 017	675 571	525 974	1 383 562	(1 802)	1 381 760
Segment costs of sales	154 271	603 341	512 797	1 270 409	(1 696)	1 268 713
Result on sales within segment	27 746	72 230	13 177	113 153	(106)	113 047
General, administrative and sales expenses	29 173	51 811	16 139	97 123	(115)	97 008
Other operating profit/loss	6 443	7 582	78 117	92 142	(9)	92 133
Segment profit/loss	5 016	28 001	75 155	108 172	-	108 172
Amortisation and depreciation	4 143	26 416	1 183	31 742	-	31 742
EBITDA *)	9 159	54 417	76 338	139 914	-	139 914
Segment assets	200 267	813 007	1 414 481	2 427 755	(114 547)	2 313 208
Segment liabilities	123 426	693 280	301 446	1 118 152	(114 547)	1 003 605

*) EBITDA = operating profit less depreciation expense

REVENUES FROM SALE BY DESTINATION MARKET	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023
Continuing operations		
Domestic sales	634 666	674 974
Sales to EU countries	477 955	564 763
Sales to other European countries	47 591	62 258
Export outside Europe	62 953	79 765
Total (revenues from continuing operations)	1 223 165	1 381 760

SHARE OF EU MEMBER STATES IN INTRA-COMMUNITY SALES	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023
Germany	35%	33%
Sweden	11%	8%
France	10%	9%
Czech Republic	9%	10%
Belgium	9%	9%
Spain	6%	7%
Italy	5%	5%
The Netherlands	5%	8%
Slovakia	5%	6%

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 primarily 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 30.09.2024

	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
Shares and stock	-	-	6 621	-	6 621
Trade receivables, factoring	256 407	3 854	-	-	260 261
Loans granted	400 501	-	-	-	400 501
Other debtors	-	138 978	-	-	138 978
Cash and cash equivalents	5 463	-	-	-	5 463
Total	662 371	142 832	6 621	-	811 824

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
Shares and stock	-	-	23	-	23
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	23	3 777	739 625

Financial liabilities on 30.09.2024

	Financial liabilities measured at amortised cost	Derivatives used for hedges	Carrying value
Bank loans, factoring, borrowings	491 892	-	491 892
Lease liabilities	29 162	-	29 162
Right-of-use liabilities	60 185	-	60 185
Trade and other liabilities (excluding towards state budget and employees)	252 772	-	252 772
Total	834 011	-	834 011

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


Boryszew S.A.

Abbreviated mid-year financial statements for the period between 1 January and 30 September 2024, drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

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

	Fair value as at		Hierarchy
	Balance on 30.09.2024	Balance on 31.12.2023	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 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 30.09.2024	Balance on 31.12.2023	of fair value
Financial assets			
Shares and stock	6 621	23	Level 3
Borrowings	400 501	376 695	Level 3
Trade and other receivables	399 239	334 319	Level 3
Cash and cash equivalents	5 463	24 811	Level 1
Financial obligations			
Borrowings and loans	491 892	467 784	Level 2
Trade and other liabilities	252 772	289 864	Level 3
Lease liabilities	29 162	35 269	Level 2
Right-of-use liabilities	57 461	63 833	Level 2
Liabilities to SMA - investment property	2 724	-	Level 2

Effect on the result of asset write-offs

	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023
Creation of value impairment write-offs for accounts receivable	(5 220)	(2 781)
Reversal of write-downs on accounts receivable (-)	7 830	1 991
Revaluation write-offs of loan receivables	(40 073)	(39 013)
Reversal of revaluation write-offs on loans granted	-	-
Creation of value impairment write-offs on bonds	(3 798)	(4 014)
Reversal of value impairment write-offs on bonds	-	-
Creation of value impairment write-offs on other receivables	(3 615)	(493)
Reversal of value impairment write-offs on other receivables	2 309	-
Creation of value impairment write-offs for inventories	(2 510)	(3 231)
Value impairment write-offs for inventories	1 291	3 595
Total impact on profit/loss	(42 567)	(47 420)


Boryszew S.A.

Abbreviated mid-year financial statements for the period between 1 January and 30 September 2024, drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Valuation to fair value of investment properties

	01.01.2024 - 30.09.2024	01.01.2023 - 30.09.2023
Valuation to fair value of investment properties	12 245	1 960

Provision for employee benefits

	Retirement severance pay	Disability severance pay	Death benefits	Provision for payments in lieu of leaves not taken	Bonuses and other benefits	Total
Balance on 01.01.2024	2 948	392	287	6 419	2 608	12 654
Movement:	(9)	-	-	(1 057)	(1 348)	(2 414)
<i>Current employment costs</i>	-	-	-	(1 057)	691	(366)
<i>Benefits paid</i>	(9)	-	-	-	(2 039)	(2 048)
Balance on 30.09.2024	2 939	392	287	5 362	1 260	10 240
Change	(9)	-	-	(1 057)	(1 348)	(2 414)
<i>change recognised in P&L (- cost, + decrease in cost)</i>	(9)	-	-	(1 057)	(1 348)	(2 414)
<i>Change included in equity (gain+/lose-)</i>	-	-	-	-	-	-
<i>long-term provisions</i>	3 094					
<i>short-term provisions</i>	7 146					

	Retirement severance pay	Disability severance pay	Death benefits	Provision for payments in lieu of leaves not taken	Bonuses and other benefits	Total
Balance on 01.01.2023	2 246	441	472	6 748	4 966	14 873
Movement:	702	(49)	(185)	(329)	(2 358)	(2 219)
<i>Interest expense</i>	121	16	14	-	-	151
<i>Current employment costs</i>	317	59	11	682	(167)	902
<i>Benefits paid</i>	(273)	(23)	(75)	-	(1 413)	(1 784)
<i>Separation of NPA Skawina branch to NPA Skawina Sp. z o.o.</i>	(192)	(97)	(192)	(1 011)	(778)	(2 270)
<i>Actuarial gains and losses - demographic changes</i>	139	(25)	9	-	-	123
<i>Actuarial gains and losses - financial changes</i>	590	21	48	-	-	659
Balance on 31.12.2023	2 948	392	287	6 419	2 608	12 654
Change	702	(49)	(185)	(329)	(2 358)	(2 219)
<i>change recognised in P&L (- cost, + decrease in cost)</i>	(27)	(45)	(242)	(329)	(2 358)	(3 001)
<i>Change included in equity (gain+/lose-)</i>	729	(4)	57	-	-	782
<i>long-term provisions</i>	3 094					
<i>short-term provisions</i>	9 560					

Other Reserves Status Change

	Balance on 01.01.2024	creation of provision	provisions used during the year	reversal of unnecessary provisions	Separation of branch Business combinations	Balance on 30.09.2024
Provisions for liquidation of fixed assets	953	-	-	-	-	953
Provision for tax risks and fiscal claims	20 349	-	-	-	-	20 349
Provisions for warranty repairs, complaints	5 843	-	-	1 202	-	7 045
Provision for customer claims	4 284	338	(1 528)	-	-	3 094
Provisions for court proceedings	2 833	-	-	-	-	2 833
Total	34 262	338	(1 528)	1 202	-	34 274
<i>Long-term provisions</i>	<i>31 916</i>					<i>30 742</i>
<i>Short-term provisions</i>	<i>2 346</i>					<i>3 532</i>

	Balance on 01.01.2023	creation of provision	provisions used during the year	reversal of unnecessary provisions	Separation of division/merger of units	Balance on 31.12.2023
Provisions for liquidation of fixed assets	4 679	953	-	-	(4 679)	953
Provision for tax risks and fiscal claims (*)	30 503	4 699	(34 917)	(285)	20 349	20 349
Provisions for warranty repairs, complaints	6 140	-	-	(297)	-	5 843
Provision for customer claims	4 232	152	(100)	-	-	4 284
Provisions for court proceedings	609	2 833	-	-	(609)	2 833
Total	46 163	8 637	(35 017)	(582)	15 061	34 262
<i>Long-term provisions</i>	<i>14 050</i>					<i>31 916</i>
<i>Short-term provisions</i>	<i>32 113</i>					<i>2 346</i>

(*) utilisation relates to ERG Branch, increase in provision relates to Hutmen Sp. z o.o., which was merged with Boryszew S.A. in 2023.

9. Transactions with affiliated entities

	Subsidiaries	Personally related entities
in the period 01.01.2024 - 30.09.2024		
Revenues from sales (of products, services, goods)	209 437	4 271
Interest income	44 809	34
Dividends received and due	125 283	-
Purchases (of materials, goods, services)	73 945	585
Interest expense	8 892	-
balance on 30.09.2024		
Trade receivables	141 466	920
Loans granted	400 501	-
Other receivables (advances, deposits)	104 491	-
Lease liabilities	23 311	-
Trade liabilities	73 858	30
Loans received	140 194	-

**Boryszew S.A.**

Abbreviated mid-year financial statements for the period between 1 January and 30 September 2024, drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

	Subsidiaries	Personally related entities
in the period 01.01.2023 - 30.09.2023		
Revenues from sales (of products, services, goods)	348 530	6 283
Interest income	40 034	1 334
Dividends received and due	77 353	-
Purchases (of materials, goods, services)	100 865	477
Interest expense	8 002	-
balance on 30.09.2023		
Trade receivables	167 415	1 612
Bonds purchased	1 000	-
Loans granted	453 703	-
Other receivables (advances, deposits)	111 062	-
Lease liabilities	1 666	-
Trade liabilities	70 371	-
Loans received	137 061	-
Other liabilities (advances, deposits)	25 000	-

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 30 September 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 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 more than 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 Q3 '2024, resulting directly or indirectly from the current situation in Ukraine, which are also likely to be significant in subsequent periods.

- relatively 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,
- increase in the price of CO₂ emission rights,

- lower level of profitability of the investments made,
- uncertainty regarding the geopolitical situation,
- uncertainty about price changes.

In Q3 '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.
Given the different assessment of the above circumstances, the Company filed an appeal against the above decision of the Authority.
In order to stop further accrual of default interest, on 20 December 2023 the Company paid the principal amount of the liability, i.e. PLN 23.03 million, together with interest in the amount of PLN 18.96 million, 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, while questioning the findings of the auditors. 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 2.83 million. 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: 31 December 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 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.
On 20 June 2024 the Provincial Administrative Court in Wrocław revoked the appealed decision and the preceding decision of the first instance authority. The ruling is not final. On 23 August 2024 the Director of the Fiscal Administration Chamber in Wrocław filed a cassation appeal with the Supreme Administrative Court. The date of the hearing before the Supreme Administrative Court has not yet been determined.
- 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. 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.

**Boryszew S.A.**

Abbreviated mid-year financial statements for the period between 1 January and 30 September 2024, drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

On 22 October 2021 a security deposit in the amount of PLN 11.7 million 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.

On 6 May 2024 the Head of the Fiscal Administration Chamber in Wrocław filed a cassation complaint. On 7 June 2024, the Company filed a response to the cassation complaint. Until the date of publication of the report, the NSA had not scheduled a hearing date.

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:

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

The balance of provisions for the risks described above in the separate financial statements of Boryszew S.A. on the balance sheet date ended on 30 September 2024 is PLN 20 349 (high risk).

The Management Board of Boryszew S.A. estimated the provisions considering the probability of cash outflow from the Company 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.

Events after the balance sheet date

No material events took place after the balance sheet date.



Boryszew Capital Group

Abbreviated mid-year consolidated financial statements for the period between 1 January and 30 September 2024, drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

MANAGEMENT BOARD'S APPROVAL

These abbreviated quarterly consolidated financial statement of Boryszew Group for the period of 9 months ended 30 September 2024 and abbreviated mid-year financial statement of Boryszew S.A. for the period of 9 months ended 30 September 2024 were approved for publication by the Management Board of Boryszew S.A. on 18 November 2024.

SIGNATURES:

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

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

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

Adam Holewa - Board Member -----

Radosław Szorc - Chief Financial Officer -----

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