



# GRUPA BORYSZEW

**CONSOLIDATED QUARTERLY REPORT OF BORYSZEW CAPITAL GROUP**  
**for the period between 1 January and 31 March 2025**

**Report publication date**  
**15 May 2025**



**Boryszew Capital Group**

**Abbreviated interim consolidated financial statements for the period between 1 January and 31 March 2025 drafted in accordance with IAS 34 as adopted by the European Union**

(amounts expressed in PLN '000 unless specified otherwise)

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**SELECTED FINANCIAL DATA**

	in PLN thousand		in EUR thousand	
	01.01.2025 - 31.03.2025	01.01.2024 - 31.03.2024	01.01.2025 - 31.03.2025	01.01.2024 - 31.03.2024
<b>data regarding condensed consolidated financial statements</b>				
Revenue from continuing operations	1 338 322	1 349 344	319 805	312 269
Operating profit	29 570	21 142	7 066	4 893
Net profit on continuing operations	8 196	8 654	1 959	2 003
Net profit on continuing and discontinued operations	8 196	8 654	1 959	2 003
Net profit attributable to the parent	5 879	6 431	1 405	1 488
Weighted average number of shares	202 000 000	202 000 000	202 000 000	202 000 000
Earnings per share attributable to shareholders of the Parent (in PLN/EURO)	0.03	0.03	0.01	0.01
Net cash flow from operating activities	36 821	(34 699)	8 799	(8 030)
Net cash flow from investment activities	(24 459)	16 943	(5 845)	3 921
Net cash flow from financial activities	13 671	21 447	3 267	4 963
	<b>Balance on 31.03.2025</b>	<b>Balance on 31.12.2024</b>	<b>Balance on 31.03.2025</b>	<b>Balance on 31.12.2024</b>
Total assets	3 727 945	3 633 569	891 022	850 355
Total liabilities and provisions	2 110 746	2 011 780	504 492	470 812
Assets of continued operations	3 677 309	3 580 826	878 919	838 012
Liabilities of continued operations	2 103 425	2 004 459	502 743	469 099
Equity	1 617 199	1 621 789	386 529	379 543
Equity attributable to the parent company	1 575 430	1 582 337	376 546	370 311

	in PLN thousand		in EUR thousand	
	01.01.2025 - 31.03.2025	01.01.2024 - 31.03.2024	01.01.2025 - 31.03.2025	01.01.2024 - 31.03.2024
<b>data regarding separate condensed financial statements</b>				
Revenues from sales	464 153	466 804	110 914	108 029
Operating profit	19 985	22 358	4 776	5 174
Net profit	5 809	7 087	1 388	1 640
Weighted average number of shares	205 205 000	205 205 000	205 205 000	205 205 000
Profit per ordinary share in PLN/EUR	0.03	0.03	0.01	0.01
Net cash flow from operating activities	(149)	(20 708)	(36)	(4 792)
Net cash flow from investment activities	3 012	5 045	720	1 168
Net cash flow from financial activities	(6 950)	4 864	(1 661)	1 126
	<b>Balance on 31.03.2025</b>	<b>Balance on 31.12.2024</b>	<b>Balance on 31.03.2025</b>	<b>Balance on 31.12.2024</b>
Total assets	1 939 746	1 945 104	463 622	455 208
Total liabilities and provisions	960 145	971 312	229 486	227 314
Equity	979 601	973 792	234 136	227 894



## **ABBREVIATED MID-YEAR CONSOLIDATED FINANCIAL STATEMENTS**

**Boryszew Capital Group**

**for the period between 1 January and 31 March 2025**



**Boryszew Capital Group**

**Abbreviated interim consolidated financial statements for the period between 1 January and 31 March 2025 drafted in accordance with IAS 34 as adopted by the European Union**

(amounts expressed in PLN '000 unless specified otherwise)

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>01.01.2025 - 31.03.2025</b>	<b>01.01.2024 - 31.03.2024</b>
<b>Continuing operations</b>		
Revenues from sales	1 338 322	1 349 344
Cost of sales	1 245 949	1 265 112
<b>Gross profit on sales</b>	<b>92 373</b>	<b>84 232</b>
Selling costs	25 317	24 794
General and administrative expenses	70 320	73 946
Other operating revenues	39 769	50 206
Other operating expenses	6 935	14 556
<b>Operating income</b>	<b>29 570</b>	<b>21 142</b>
Financial revenues	10 547	16 929
Financial expenses	29 201	24 235
Share in profit of affiliates	(639)	(656)
<b>Profit before taxation</b>	<b>10 277</b>	<b>13 180</b>
Income tax	2 081	4 526
<b>Net profit on continuing operations</b>	<b>8 196</b>	<b>8 654</b>
<b>Net profit/loss on discontinued operations</b>	<b>-</b>	<b>-</b>
<b>Net profit on continuing and discontinued operations including attributable to:</b>	<b>8 196</b>	<b>8 654</b>
<i>to shareholders of the parent</i>	<i>5 879</i>	<i>6 431</i>
<i>non-controlling interests</i>	<i>2 317</i>	<i>2 223</i>
<b>Earnings / Diluted earnings per share</b>	<b>5 879</b>	<b>6 431</b>
Weighted average number of shares	202 000 000	202 000 000
Earnings / Diluted earnings per share (PLN)	0.03	0.03
Net profit (loss) per share (in PLN, 100/PLN per share)	0.03	0.03
Earnings per share on continuing operations	0.03	0.03
Earnings per share on discontinued operations	-	-
Diluted net profit (loss) per share (PLN/share)	0.03	0.03
Diluted on continuing operations	0.03	0.03

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME - continued**

	01.01.2025 - 31.03.2025	01.01.2024 - 31.03.2024
<b>Net profit</b>	<b>8 196</b>	<b>8 654</b>
<b>Earnings recognised in equity</b>		
Hedge accounting (pre-tax)	(3 988)	(7 177)
Income tax	758	1 364
Foreign exchange differences on recalculation of foreign controlled entities	(9 556)	(12 604)
<b>Earnings recognised in equity, to be transferred to income statement</b>	<b>(12 786)</b>	<b>(18 417)</b>
<b>Total earnings recognised in equity</b>	<b>(12 786)</b>	<b>(18 417)</b>
<i>to shareholders of the parent</i>	<i>(12 786)</i>	<i>(18 417)</i>
<i>non-controlling interests</i>	<i>-</i>	<i>-</i>
<b>Total comprehensive income, including attributable:</b>	<b>(4 590)</b>	<b>(9 763)</b>
<i>to shareholders of the parent</i>	<i>(6 907)</i>	<i>(11 986)</i>
<i>non-controlling interests</i>	<i>2 317</i>	<i>2 223</i>



**Boryszew Capital Group**

**Abbreviated interim consolidated financial statements for the period between 1 January and 31 March 2025 drafted in accordance with IAS 34 as adopted by the European Union**

(amounts expressed in PLN '000 unless specified otherwise)

**CONSOLIDATED BALANCE SHEET**

<b>ASSETS</b>	<b>Balance on 31.03.2025</b>	<b>Balance on 31.12.2024</b>	<b>Balance on 31.03.2024</b>
<b>Non-current assets</b>	<b>1 922 375</b>	<b>1 933 438</b>	<b>1 947 091</b>
Tangible fixed assets	1 302 043	1 309 995	1 338 562
Investment property	152 446	148 127	142 183
Goodwill	6 418	6 418	6 418
Intangible assets	38 594	39 081	36 251
Right-of-use assets	232 663	245 862	287 647
Shares in affiliates	25 665	26 304	28 201
Financial assets	36 289	36 089	102
Derivative financial instruments	126	128	542
Long-term receivables	71 570	66 456	60 068
Deferred tax assets	56 561	54 978	47 117
<b>Current assets</b>	<b>1 805 570</b>	<b>1 700 131</b>	<b>1 905 486</b>
<b>Current assets other than assets held for sale</b>	<b>1 754 934</b>	<b>1 647 388</b>	<b>1 900 140</b>
Inventories	696 662	749 426	856 219
Trade receivables and other receivables	807 650	672 220	787 709
Short-term financial assets	1	1	17 371
Derivative financial instruments	7 792	8 590	12 661
Current tax receivables	8 947	8 445	3 758
Cash and cash equivalents	233 882	208 706	222 422
<b>Assets classified as held for sale</b>	<b>50 636</b>	<b>52 743</b>	<b>5 346</b>
<b>Total assets</b>	<b>3 727 945</b>	<b>3 633 569</b>	<b>3 852 577</b>



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(amounts expressed in PLN '000 unless specified otherwise)

<b>LIABILITIES AND EQUITY</b>	<b>Balance on 31.03.2025</b>	<b>Balance on 31.12.2024</b>	<b>Balance on 31.03.2024</b>
<b>Equity</b>	<b>1 575 430</b>	<b>1 582 337</b>	<b>1 611 734</b>
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	3 601	6 831	9 207
Capital reserve on translating employee payables	(112)	(112)	(794)
Revaluation reserve and gain on disposal of financial assets	-	-	3 433
Exchange differences on translating foreign entities	(112 715)	(103 159)	(60 550)
Retained earnings	1 558 068	1 552 189	1 533 850
<b>Equity of non-controlling shareholders</b>	<b>41 769</b>	<b>39 452</b>	<b>35 360</b>
<b>Total equity</b>	<b>1 617 199</b>	<b>1 621 789</b>	<b>1 647 094</b>
<b>Liabilities and long-term provisions</b>	<b>561 066</b>	<b>587 375</b>	<b>665 797</b>
Bank loans, borrowings	183 490	204 166	234 354
Lease and right-of-use liabilities	211 954	215 458	228 427
Deferred tax provision	35 630	37 320	69 951
Derivative financial instruments	770	430	-
Employee benefit provisions	12 585	13 412	17 083
Other provisions	52 442	49 647	48 815
Other liabilities	75	75	75
Other liabilities and equity	64 120	66 867	67 092
<b>Short-term liabilities other than liabilities included in groups held for sale, classified as held for sale</b>	<b>1 542 359</b>	<b>1 417 084</b>	<b>1 539 686</b>
Bank loans, factoring, borrowings	617 799	571 654	476 753
Lease and right-of-use liabilities	23 771	26 619	28 925
Trade payables and other liabilities	796 041	704 934	797 259
Derivative financial instruments	837	1 884	1 635
Tax liabilities	4 388	7 036	9 355
Employee benefit provisions	30 562	28 438	43 742
Other provisions	29 877	35 367	148 799
Other liabilities and equity	39 084	41 152	33 218
<b>Liabilities directly associated with assets classified as held for sale</b>	<b>7 321</b>	<b>7 321</b>	<b>-</b>
<b>Liabilities and short-term provisions - total</b>	<b>1 549 680</b>	<b>1 424 405</b>	<b>1 539 686</b>
<b>Total liabilities and provisions</b>	<b>2 110 746</b>	<b>2 011 780</b>	<b>2 205 483</b>
<b>Total equity and liabilities</b>	<b>3 727 945</b>	<b>3 633 569</b>	<b>3 852 577</b>





## CONSOLIDATED CASH FLOW STATEMENT

	01.01.2025 - 31.03.2025	01.01.2024 - 31.03.2024
<b>Cash flows from operating activities</b>		
<b>Profit before taxation</b>	<b>10 277</b>	<b>13 180</b>
<b>Adjustments for (+/-)</b>	<b>26 544</b>	<b>(47 879)</b>
Amortisation/depreciation	40 645	39 196
Profit/loss on financial activity (including interest on financial liabilities)	9 471	8 064
Profit / loss on investment activities	(11 692)	(10 272)
Change in receivables	(114 424)	(159 710)
Change in inventories	52 764	29 907
Change in liabilities	82 713	71 175
Provision for employee benefits	1 297	4 477
Movement in provisions	(22 084)	(20 155)
Other items	(4 506)	(3 371)
Income tax paid	(7 640)	(7 190)
<b>Net cash from operating activities</b>	<b>36 821</b>	<b>(34 699)</b>
<b>Cash flows from investment activities</b>		
Profit on fixed assets disposal	5 305	48 689
Expenses on acquisition of fixed assets	(25 683)	(31 746)
Other investment inflows/outflows	(4 081)	-
<b>Net cash from investing activities</b>	<b>(24 459)</b>	<b>16 943</b>
<b>Cash flows from financial activities</b>		
Incomes on credit and loan facilities	66 476	101 209
Repayment of credit and loan facilities	(32 016)	(71 336)
Interest paid on loans, borrowings and leasing	(12 488)	(11 504)
Payments of liabilities under lease agreements	(7 998)	(7 575)
Other financial inflows/outflows	(303)	10 653
<b>Net cash from financing activities</b>	<b>13 671</b>	<b>21 447</b>
<b>Net change in cash and cash equivalents (before impact of foreign exchange rates)</b>	<b>26 033</b>	<b>3 691</b>
Translation reserve	(857)	(528)
Cash opening balance	208 706	219 259
<b>Net increase/(decrease) in cash and cash equivalents (after impact of foreign exchange rates)</b>	<b>25 176</b>	<b>3 163</b>
<b>Cash closing balance</b>	<b>233 882</b>	<b>222 422</b>
<i>including: restricted cash</i>	<i>56 214</i>	<i>59 379</i>

**CONSOLIDATED STATEMENT ON CHANGES IN EQUITY**

	Share capital	Share premium	Treasury shares	Hedge accounting	Profit/Loss on restatement of employee benefits	Revaluation reserve	Exchange differences on recalculation of overseas controlled entities	Retained earnings	Capital of the controlling entity	Equity of non-controlling interest	Total equity
<b>Balance on 01.01.2025</b>	<b>248 906</b>	<b>114 435</b>	<b>(236 753)</b>	<b>6 831</b>	<b>(112)</b>	<b>-</b>	<b>(103 159)</b>	<b>1 552 189</b>	<b>1 582 337</b>	<b>39 452</b>	<b>1 621 789</b>
Valuation of hedge instruments				(3 230)					(3 230)		(3 230)
Currency translation differences (subsidiaries)							(9 556)		(9 556)		(9 556)
Profit/loss for Q1 '2025								5 879	5 879	2 317	8 196
<b>Total revenue for Q1 '2025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 230)</b>	<b>-</b>	<b>-</b>	<b>(9 556)</b>	<b>5 879</b>	<b>(6 907)</b>	<b>2 317</b>	<b>(4 590)</b>
<b>Balance on 31.03.2025</b>	<b>248 906</b>	<b>114 435</b>	<b>(236 753)</b>	<b>3 601</b>	<b>(112)</b>	<b>-</b>	<b>(112 715)</b>	<b>1 558 068</b>	<b>1 575 430</b>	<b>41 769</b>	<b>1 617 199</b>

	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
<b>Balance on 01.01.2024</b>	<b>248 906</b>	<b>114 435</b>	<b>(236 753)</b>	<b>15 020</b>	<b>(794)</b>	<b>3 433</b>	<b>(47 946)</b>	<b>1 527 419</b>	<b>1 623 720</b>	<b>33 137</b>	<b>1 656 857</b>
Other comprehensive income				(8 189)	682		(55 213)		(62 720)	(2)	(62 722)
Profit/loss for 2024								110 485	110 485	10 320	120 805
<b>Total comprehensive income for 2024</b>				<b>(8 189)</b>	<b>682</b>		<b>(55 213)</b>	<b>110 485</b>	<b>47 765</b>	<b>10 318</b>	<b>58 083</b>
Dividends paid and declared								(89 148)	(89 148)	(4 003)	(93 151)
Other changes (*)						(3 433)		3 433			
Changes in equity				(8 189)	682	(3 433)	(55 213)	24 770	(41 383)	6 315	(35 068)
<b>Balance on 31.12.2024</b>	<b>248 906</b>	<b>114 435</b>	<b>(236 753)</b>	<b>6 831</b>	<b>(112)</b>	<b>-</b>	<b>(103 159)</b>	<b>1 552 189</b>	<b>1 582 337</b>	<b>39 452</b>	<b>1 621 789</b>

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



# Boryszew Capital Group

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(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
<b>Balance on 01.01.2024</b>	<b>248 906</b>	<b>114 435</b>	<b>(236 753)</b>	<b>15 020</b>	<b>(794)</b>	<b>3 433</b>	<b>(47 946)</b>	<b>1 527 419</b>	<b>1 623 720</b>	<b>33 137</b>	<b>1 656 857</b>
Valuation of hedge instruments				(5 813)					(5 813)		(5 813)
Currency translation differences (subsidiaries)							(12 604)		(12 604)		(12 604)
Profit/loss for Q1 '2024								6 431	6 431	2 223	8 654
<b>Total revenue for Q1 '2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 813)</b>	<b>-</b>	<b>-</b>	<b>(12 604)</b>	<b>6 431</b>	<b>(11 986)</b>	<b>2 223</b>	<b>(9 763)</b>
<b>Balance on 31.03.2024</b>	<b>248 906</b>	<b>114 435</b>	<b>(236 753)</b>	<b>9 207</b>	<b>(794)</b>	<b>3 433</b>	<b>(60 550)</b>	<b>1 533 850</b>	<b>1 611 734</b>	<b>35 360</b>	<b>1 647 094</b>



**ADDITIONAL INFORMATION**

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

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## 1. INTRODUCTION

### COMPANY DETAILS

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

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

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

The company is established for an indefinite period of time.

### COMPANY'S 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 more than 7 000 employees.

### SUPERVISORY BOARD OF BORYSZEW S.A.

From 1 January 2025 and until the date of publication of the report, the following persons were members of the Supervisory Board of Boryszew S.A.:

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

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

### MANAGEMENT BOARD OF BORYSZEW S.A.

On 1 January 2025, 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 Adam Holewa	- Member of the Management Board, Automotive Segment Director

On 31 March 2025, the composition of Boryszew S.A. Management Board was as follows:

Mr Wojciech Kowalczyk	– President of the Management Board, General Director
Mr Łukasz Bubacz	– Member of the Board of Directors, Chief Investment Officer,
Mr Adam Holewa	- Member of the Management Board, Automotive Segment Director

On 16 April 2025, the Supervisory Board of the Company, decided to appoint Mr Maciej Korniluk as a Member of the Management Board, Chief Operating Officer, effective 18 April 2025.

On the date of the report, the following persons were members of the Management Board of Boryszew S.A.:

Mr Wojciech Kowalczyk	– President of the Management Board, General Director
Mr Łukasz Bubacz	– Member of the Board of Directors, Chief Investment Officer,
Mr Adam Holewa	- Member of the Management Board, Automotive Segment Director
Mr Maciej Korniluk	- Member of the Management Board, Chief Operating Officer.

## 2. BASIS FOR REPORT PREPARATION AND ACCOUNTING PRINCIPLES

The information contained in the abbreviated consolidated financial statements for Q1 '2025 has been prepared in accordance with the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information to be published by issuers of securities and conditions for recognising as equivalent information required under the laws of a non-member state (Journal of Laws 2018.757 of 20 April 2018) and International Accounting Standard 34 (IAS 34) "Interim Financial Reporting".

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

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

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

The accounting principles and calculation methods applied by the Group have not changed in the period covered by these statements, and are presented in detail in the consolidated financial statements for 2024, published on 17 April 2025.

	Average EUR exchange rate in the period	EURO exchange rate as at the last day of period
01.01 – 31.03.2024	4.3211	4.3009
01.01 - 31.12.2024	4.3042	4.2730
01.01 – 31.03.2025	4.1848	4.1839

### ACCOUNTING PRINCIPLES

Accounting principles (policy) applied when drafting these mid-year abbreviated consolidated financial statements for the period of 3 months ended on 31 March 2025 are consistent with those applied when drafting annual consolidated financial statements for the financial year ended on 31 December 2024.

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 2024, made public on 17 April 2025.

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 31 March 2025. 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:

- **Amendments to IAS 1** *Presentation of Financial Statements – Separation of liabilities into current and non-current and Separation of liabilities into current and non-current – deferral of effective date and Non-current liabilities containing covenants*. The amendment to IAS 1 was published on 23 January 2020, subsequently modified in July 2020 and finally adopted on 31 October 2022.
- **Amendment to IAS 12** *Income Taxes: International tax reform - model principles of Pillar II (global minimum tax)*  
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. Companies can apply the exemption immediately, but disclosure requirements are required for annual periods beginning on or after 1 January 2023. The amendment was published on 23 May 2023.

The parent company of Boryszew Group falls under Pillar II of the OECD Model Rules.

The Pillar II regulations have been in effect in Poland since January 2025.

The Group applied the mandatory exception for the recognition and disclosure of deferred tax assets and liabilities related to income taxes under Pillar II, in accordance with amendments to IAS 12 issued in May 2023.

On the date of this report, the Group is unable to reasonably estimate the total amount of the additional tax burden resulting from the implementation of Pillar II rules starting in 2025. The parent company keeps monitoring the regulatory situation and conducting further assessments to determine the potential impact of the new regulations on its future tax liabilities, the entity responsible for preparing the reconciliation is the parent company, Boryszew S.A. Boryszew Group will benefit from a "safe harbor" based on CBCR reports for 2025 and 2026.

- **Amendments to IFRS 16 Leases:** Lease liability in sale and leaseback transaction published on 22 September 2022.  
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 IAS 7 Statement of Cash Flows and IFRS 7: Financial instruments: Disclosure: Supplier finance agreements** published on 25 May 2023.  
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 above standards and amendments do not affect these consolidated financial statements. The Group decided to implement the standards on a prospective basis.

#### **New standards and interpretations and amendments to standards or interpretations that are not yet effective and have not been earlier applied.**

The Group did not chose to early implement, in these financial statements, published standards or interpretations before their effective date.

The following standards and interpretations have been issued by the International Accounting Standards Committee or the International Financial Reporting Interpretations Committee, but have not yet come into effect as at the balance sheet day:

- **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 entities 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** (published on 15 August 2023) - not approved by the EU until the date of approval of these financial statements – applicable for annual periods beginning on or after 1 January 2025.
- **IFRS 18 Presentation and Disclosures in Financial Statements** (published on 9 April 2024) – not approved by the EU until the date of approval of these financial statements – applicable for annual periods beginning on or after 1 January 2027.
- **IFRS 19 Subsidiaries without public accountability. Disclosure** (effective for annual periods beginning on or after 1 January 2027).  
IFRS 19 standard "Subsidiaries without public accountability: Disclosure" permits limited disclosures by subsidiaries when applying IFRS in their financial statements. IFRS 19 is optional for qualifying subsidiaries and specifies disclosure requirements for subsidiaries that choose to apply it. The new standard is effective for reporting periods beginning on or after 1 January 2027, with early adoption permitted.
- **Amendments to IFRS9 and IFRS7** Amendments to classification and measurement of financial instruments (effective for annual periods beginning on or after 1 January 2026).  
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.



- **Amendments to IFRS and IAS (Volume 11)** resulting from the annual review, issued 18 July 2024. The amendments are intended to clarify the wording used in the standards, in order to improve their readability, consistency and eliminate any ambiguities. The amendments introduced following of the abovementioned review involve **IAS 1** "First-time adoption of international financial reporting standards", **IFRS 7** "Financial instruments: Disclosures", **IFRS 9** "Financial instruments", **IFRS 10** "Consolidated financial statements" **IAS 7** "Statement of cash flows" The changes will take effect on 1 January 2026.
- **Amendments to IFRS 9 and IFRS 7** Contracts referencing nature-dependent electricity published on 18 December 2024.  
The changes to the standards are intended to facilitate reporting financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs). Amendments include: clarification of the application of "own-use" requirements, permitting hedge accounting if these contracts are used as hedging instruments, and adding new disclosure requirements to enable investors to understand the impact of these contracts on a company's financial results and cash flows.

## **RESTATEMENT OF COMPARABLE DATA AND CORRECTION OF ERRORS OF PREVIOUS YEARS**

The Group has restated the presentation of comparable data in this quarterly Consolidated Financial Statements with regard to information by business segment. Two new segments are now separated, i.e. the Energy segment, which includes: Boryszew S.A. Energy branch, Boryszew Green Energy & Gas sp. z o.o., Boryszew Inwestycje Sp. z o.o., These companies in comparable periods were presented as other unassigned to industry segments; the Circular Economy segment was separated from the Metals segment and it includes: Zakład Utylizacji Odpadów Sp. z o.o., Baterpol S.A., Baterpol Recycler Sp. z o.o., Polski Zinc Sp. z o.o.



**THE FOLLOWING COMPANIES WERE INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2025:**
**Companies included in the consolidated financial statements**

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			Energy
<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
Boryszew Maflow Sp. z o.o.	Tychy	100.00	Boryszew S.A.	Automotive
Maflow Polska Sp. z o.o.	Tychy	100.00	Boryszew S.A.	Automotive
Maflow BRS s.r.l	Italy	100.00	Boryszew S.A.	Automotive
Maflow Spain Automotive S.L.	Spain	100.00	Boryszew S.A.	Automotive
Maflow France Automotive SAS.	France	100.00	Boryszew S.A.	Automotive
Maflow Plastics Poland Sp. z o.o.	Ostaszewo	100.00	Boryszew S.A.	Automotive
Boryszew HR Service Sp. z o.o.	Toruń	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. (3.34%), Maflow Poland 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. (90.00%), Maflow Poland Sp. z o.o. (10.00%)	Automotive
Boryszew Automotive Plastics Sp. z o.o.	Tychy	100.00	Maflow Polska Sp. z o.o.	Automotive
ICOS GmbH in bankruptcy under self-administration	Germany	100.00	Boryszew Automotive Plastics Sp. z o.o.	Automotive
Theysohn Kunststoff GmbH in bankruptcy under self-administration	Germany	100.00	ICOS GmbH in bankruptcy under self-administration	Automotive
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 in bankruptcy	Automotive
Boryszew Kunststofftechnik Deutschland GmbH in bankruptcy	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 in bankruptcy	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	Automotive

Company name	Seat	share of the parent in share capital (%)	subsidiary of:	Business segment
NPA Skawina Sp. z o.o.	Skawina	100.00	Deutschland GmbH in bankruptcy (89.1%) Boryszew S.A.	Metals
Walcownia Metali Dziedzice S.A.	Czechowice- Dziedzice	100.00	Boryszew S.A.	Metals
ZM SILESIA S.A.	Katowice	100.00	Boryszew S.A.	Metals
Alchemia S.A.	Warsaw	100.00	Boryszew S.A.	Metals
Metal Zinc Sp. z o.o.	Katowice	100.00	ZM SILESIA 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
RAPZ Sp. z o.o. (**)	Dąbrowa Górnicza	42.67	Huta Bankowa Sp. z o.o.	Metals
Zakład Utylizacji Odpadów Sp. z o.o.,	Konin	59.97	Boryszew S.A.	Circular Economy
Polski Cynk Sp. z o.o.	Oława	100.00	Boryszew S.A.	Circular Economy
Baterpol S.A.	Katowice	100.00	Polski Cynk Sp. z o.o.	Circular Economy
Baterpol Recycler Sp. z o.o.	Oława	100.00	Polski Cynk Sp. z o.o.	Circular Economy
Boryszew Green Energy & Gas Sp. z o.o.	Toruń	100.00	Boryszew S.A.	Energy
Boryszew Inwestycje Sp. z o.o.	Warsaw	100.00	Boryszew S.A.	Energy
Boryszew Nieruchomości Sp. z o.o.,	Warsaw	100.00	Boryszew Property Sp. z o.o.	Unallocated
Boryszew Assets Sp. o.o.	Warsaw	100.00	Boryszew S.A.	Unallocated
Boryszew Property Sp. z o.o.	Warsaw	100.00	Boryszew S.A.	Unallocated
"onesano" S.A. (***)	Chorzów	42.50	Boryszew S.A.	Unallocated
AGICORP-BOR Sp. z o.o. (****)	Oświęcim	25,00	Boryszew S.A.	Unallocated

(\*) Maflow Spain Automotive S.L. 3.34%, 1 share worth MXN 100, 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.

**Details about subsidiaries with significant NCIs**

Subsidiaries of Boryszew CG, which hold non-controlling interest in Q1 '2025 are Zakład Utylizacji Odpadów S p. z o.o. and Elimer Sp. z o.o.

Selected company data	Zakład Utylizacji Odpadów Sp. z o.o. in Konin	Elimer Sp. z o.o.
Non-current assets	23 728	34
Current assets	96 537	1 270
Long-term liabilities	12 335	64
Short-term liabilities	4 821	558
Net assets	103 109	682
non-controlled shares	40.03%	47.56%
<b>Net assets attributable to non-controlling interests</b>	<b>41 275</b>	<b>324</b>
Revenues from sales	14 269	1 024
Net profit	5 796	(7)
Other comprehensive income	-	-
non-controlled shares	40.03%	47.56%
<b>Comprehensive income attributable to non-controlling interests</b>	<b>2 320</b>	<b>(3)</b>
non-controlled shares	40.03%	47.56%
Net cash from operating activities	1 994	(65)
Net cash from investing activities	1 283	2

### 3. DESCRIPTION OF PERFORMANCE OF BORYSZEW GROUP IN Q1 '2025 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

	1Q 2025		1Q 2024	
Metals	615 074	46.0%	622 145	46.1%
Automotive	390 870	29.2%	420 402	31.2%
Circular Economy	117 666	8.8%	96 998	7.2%
Energy	227 403	17.0%	216 454	16.0%
Chemical products	37 288	2.8%	41 427	3.1%
Other non-allocated (*)	(49 979)	(3.7%)	(48 082)	(3.6%)
<b>TOTAL</b>	<b>1 338 322</b>	<b>100.0%</b>	<b>1 349 344</b>	<b>100.0%</b>

(\*) includes consolidation exclusions between segments

##### Geographical structure of revenues, PLN '000

	1Q 2025		1Q 2024	
Poland	500 174	37.4%	529 740	39.3%
Germany	251 780	18.8%	245 451	18.2%
Other EU countries	450 105	33.6%	437 862	32.4%
Other non-allocated (*)	136 263	10.2%	136 291	10.1%
<b>TOTAL</b>	<b>1 338 322</b>	<b>100.0%</b>	<b>1 349 344</b>	<b>100.0%</b>

(\*) includes consolidation exclusions between segments

##### Market sentiment - PMI and GDP:

Since more than 93,0% of revenues at Boryszew Capital Group is generated in Europe, then the overall economic situation within the European Union (mainly in Germany) is critical for Group's performance.

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

PMI	1Q 2025	1Q 2024
EU	47.6	46.4
Poland	50.0	47.7
Germany	46.6	43.3

The PMI for Poland's industrial sector exceeded the 50-point level in February 2025 for the first time since April 2022 (with a reading of 47.4 points at the end of 2024), reaching 50.6 points. This level of the PMI indicates growth in the industrial sector, which means improved economic conditions compared to the previous month. The business climate in the Polish manufacturing sector improved slightly in the first quarter of this year. After a long period of deceleration, foreign markets are now starting to open up again to Polish products hence exports increase for the first time in more than three years. Forecasts have also improved.

The average values of the PMI index, which determines the level of activity in industry in the Euro zone and Germany, were at higher levels compared to the same period last year, indicating further signs of stabilisation in the industrial sector, although it still remains below the 50 threshold separating growth from decline. New orders have approached a stable level. Importantly, the German industry, which is the largest customer of components produced in Poland, is in particularly poor shape.

Forecast of GDP growth for Poland	2025	2026
NBP	3.7%	2.9%
World Bank	3.2%	3.0%
European Commission	3.6%	3.1%

In April 2025, the World Bank published updated economic growth forecasts for Poland and the Central European region, indicating moderate growth rates in the coming years. The forecast for Poland was lowered to 3.2 percent and 3.0 percent for 2026, down 0.2 percentage points from earlier estimates. According to the Bank, maintaining a stable growth rate in the economies of the Europe and Central Asia region is difficult due to factors such as global uncertainty.

The World Bank stresses that maintaining a stable rate of economic growth in the region will require deep reforms and new investments. In addition, geopolitical tensions are prompting governments in the region to increase defense and security spending, which could affect resource allocation and further economic development.

The World Bank, when assessing Poland's economic outlook, stresses the need to accelerate structural reforms to maintain competitiveness and long-term growth capability in the face of global and regional challenges.

The European Commission forecasts that Poland's GDP growth will reach 3.6% in 2025, driven mainly by private consumption and investment, including public investment funded by the EU. Increased spending on modernisation and expansion of the country's defense capabilities will remain an additional factor supporting the growth momentum. In 2026, growth will slow to 3.1%, due to weakening consumption and investment. In addition, inflation is expected to continue to decline after the increase in 2025 associated with the unfreezing of energy prices.

The National Bank of Poland, in its forecast in March 2025, estimates that after projected domestic GDP growth in 2024 at close to 3%, growth is expected to accelerate to 3.7% in 2025.

A factor that will significantly support economic growth is the implementation of the National Recovery Plan under EU funds.

In early 2025, both Poland and the Euro zone are seeing signs of economic stabilisation. In Poland, inflation is forecast to fall further and further monetary easing is possible. In this context, the Monetary Policy Council's decision on 7 May 2025 to cut interest rates for the first time since October 2023 is important, which may mark the beginning of a more lenient approach in shaping monetary conditions, encouraging growth in consumption and investment activity. In the Euro zone, the European Central Bank's actions are aimed at boosting economic growth, but risks related to international trade and geopolitics remain significant.

#### **Market sentiments - significant currency pairs**

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

The level of currency 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 0.5% and against the Euro by 3.2%, which affected the quotations of basic metals expressed in PLN.

In the first quarter of 2025, the EUR/USD exchange rate stood at 1.05, about 4.0% lower than in the same period last year. PLN rates in 2025 should be strengthened by the prospect of economic improvement in our country.

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

Metal prices (average)	1Q 2025	1Q 2024	% change
Aluminium [USD]	2 629	2 200	19.5%
Copper [USD]	9 346	8 444	10.7%
Zinc [USD]	2 838	2 449	15.8%
Lead [USD]	1 970	2 076	(5.1%)
FX rates	1Q 2025	1Q 2024	% change
EUR/PLN	4.18	4.32	(3.2%)
USD/PLN	3.97	3.99	(0.5%)
EUR/USD	1.05	1.09	(4.0%)
Metal prices (average)	1Q 2025	1Q 2024	% change
Aluminium [PLN]	10 445	8 781	18.9%
Copper [PLN]	37 138	33 707	10.2%
Zinc [PLN]	11 276	9 778	15.3%
Lead [PLN]	7 829	8 288	(5.5%)

Source: Daily listings of LME, NBP

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

Since nearly 46,0% of Boryszew CG sales is in the metals industry segment, Group's performance is exposed to fluctuations in average prices of metals quoted on the London Metal Exchange (LME). The hedge policy for metal price and exchange rates, followed by the Group, has a significant effect on risk reduction. However, the level of income and working capital still remain sensitive to the volatility of these commodity prices.

The situation on the market of one of the basic products of this Segment - aluminium wire rod and aluminium alloys - is very good. Wire rod is used in production of wires, cables and wires.

In particular the segment of overhead conductors and wires records a continuous increase in demand of several percent. NPA Skawina 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. Globally, crude steel production in the world declined slightly after the first quarter of this year compared to the same period last year - this was due to weak demand in key sectors such as construction and industry. Further changes in production are expected to depend on the economic recovery in China and trade policy of the United States.

In the first quarter of 2025, aluminium, copper and zinc prices increased compared to the same period in 2024, while the price of lead declined. Forecasts for the rest of 2025 indicate further increases in prices of these metals, with the exception of lead, for which a stabilisation or slight increase is expected.

The increase in metal prices was due to different factors, including limited supply, growing demand in sectors such as automotive and electronics, and trade policy, including tariffs imposed by the United States. In the future, the demand for metals is expected to increase significantly, as such will be the needs of global economic development and the green energy transition.

In response to increasing competitive pressure from third countries and to protect the European steel industry, the European Commission introduced, as of 1 April 2025, restrictions on access to steel import tariff quotas, reducing steel import quotas by 15%.

Reducing the level of liberalisation by about 15% and tightening the rules for the use of unutilised import limits represent a major change in the European Union's trade policy. The introduction of these regulations is aimed at limiting the influx of cheap steel from external markets and strengthening the competitive position of EU producers. For Group companies in the steel business these changes may be a factor in easing the existing competitive pressure from non-EU suppliers and supporting price stabilisation in the European market. In the long term, the new regulations are expected to have a positive impact on the profitability of the steel segment, particularly by reducing pressure on trading margins and improving the predictability of the market environment. Boryszew Group will monitor the effects of the changes and align operational and commercial activities with the new market structure.

Forecasts for the second quarter of 2025 predict a moderate market recovery, but this is high risk given the unpredictable U.S. policy, which has real repercussions for the European Union economy.

### 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 29.2% of Group's turnover).

The main customer of the Automotive Segment, the Volkswagen Group, recorded a 5.7% increase in car sales in the European market after the first three months of 2025 (compared to the same period last year) and still remains the market leader among automakers in Europe (UE, EFTA and the UK).

According to ACEA data, the first quarter of 2025 in Europe saw a slight decline in new car registrations (down 0.4% year-on-year; but up 2.8% in March 2025 alone), with an increase in sales of electric and hybrid vehicles. Poland stood out for its positive trend in new registrations, which may indicate a growing interest in new automotive technologies in the country.

While the automotive industry is struggling with challenges, it is also going through a unique transformation process that could bring benefits in the long run. Investments in new technologies, electromobility and sustainable development are creating a number of growth opportunities that can strengthen the sector's position in the market. With the right actions and strategy, the future of automotive can be full of innovation, new markets and opportunities.

Type of vehicle	Market share in Q1 2025
Hybrid	35.5%
Internal combustion	28.7%
Electric	15.2%
Diesel	9.5%
Rechargeable hybrids	7.6%
Other	3.5%
<b>Total</b>	<b>100.0%</b>

Source: ACEA Report: NEW CAR REGISTRATIONS, EUROPEAN UNION

The first quarter of 2025 in the automotive market is a period of intense change, with a growing share of electric and hybrid vehicles. Traditional internal combustion engines still remain an important segment, but their dominance is beginning to diminish, and the future of the market appears to be increasingly dominated by more environmentally friendly technologies.

Overall, the market is in transition, with a growing share of hybrid and electric vehicles, indicating a move toward greener automotive solutions.

### VOLUME OF SALES

Sales volumes were presented according to the new segment structure, with comparative data for 2024 restated to the current layout.

The first quarter of 2025 saw a slight increase (by 1.3 thousand tonnes) in sales volume compared to the previous year. The increase in sales volumes by 3.0 thousand tonnes (i.e. 32.3%) was recorded mainly in the Circular Economy Segment at Baterpol S.A.

On the other hand, the Metals Segment recorded a slight decrease (1.5 thousand tonnes) mainly in the Alchemia Group (a total decrease of 2.2 thousand tonnes).

in thousand tonnes	1Q 2025	1Q 2024	change
<b>Volume of sales, including:</b>	<b>85.3</b>	<b>84.0</b>	<b>1.3</b>
Metals Segment	66.3	67.8	(1.5)
Circular Economy Segment	12.3	9.3	3.0
Chemicals segment	6.7	6.9	(0.2)



## ACHIEVED FINANCIAL RESULTS

### Boryszew Capital Group

#### Revenues from sales / Demand for Group's products

The Group's sales revenue level in the first quarter of 2025 is presented in accordance with the new operating segmentation introduced earlier this year. This change reflects the Group's current management structure and is better aligned with the business profile of different units.

To ensure comparability of data, values for the corresponding period of the previous year were recalculated according to the new segmentation. Revenues by segment were as follows:

in PLN million	1Q 2025	1Q 2024	change
<b>Revenues from sale, including:</b>	<b>1 338,3</b>	<b>1 349.3</b>	<b>(11,0)</b>
Metals Segment	615.1	622.1	(7.0)
Circular Economy Segment	117.7	97.0	20.7
Automotive Segment	390.9	420.4	(29.5)
Energy Segment	227.4	216.5	10.9
Chemicals segment	37.3	41.4	(4.1)
Other non-allocated (*)	(50.1)	(48.1)	(2,0)

\* including consolidation adjustments

The revenues of Boryszew Capital Group after Q1 '2025 amounted to PLN 1 338.3 million - a drop of 0.8% against its revenues for the same period last year.

The entire **Metals segment** experienced a slight decrease in revenues. This occurred despite sales increases in almost all of the companies in the segment. The only exception was Alchemia S.A., where revenues decreased, which was directly related to the process of liquidating selected operating divisions. An additional factor negatively affecting Alchemia S.A.'s financial performance was the decline in the prices of steel products, particularly evident in the European market. Continued price pressure in this area significantly reduced the company's sales opportunities and profitability during the period under review. Other companies in the Segment recorded revenue increases, resulting from both increased sales volumes and favourable market trends in the quotations of raw materials. These factors translated into improved operating results and a stronger market position for these companies.

The **Circular Economy segment**, which includes Baterpol S.A. and Zakład Utylizacji Odpadów Sp. z o.o., saw an increase in revenue compared to the previous period. The main factor determining this improvement was higher volume sales of lead at Baterpol S.A., which resulted in a significant increase of sales on a quarterly basis.

The **Automotive segment** recorded drop in revenues as a result of liquidation of unprofitable companies involved in production of plastic components and the strengthening of the Polish currency.

The **Energy segment**, which includes Boryszew Energy Branch and Boryszew Green Energy & Gas Sp. z o.o., increased revenues compared to the same period last year. The main source of revenue growth in the reporting period was Boryszew Energy Branch, whose sales results were crucial for improving the results of the entire Segment. The positive dynamics was driven by both an increase in gas sales volume and a higher gas price level in Q1 2025 compared to the same period last year.

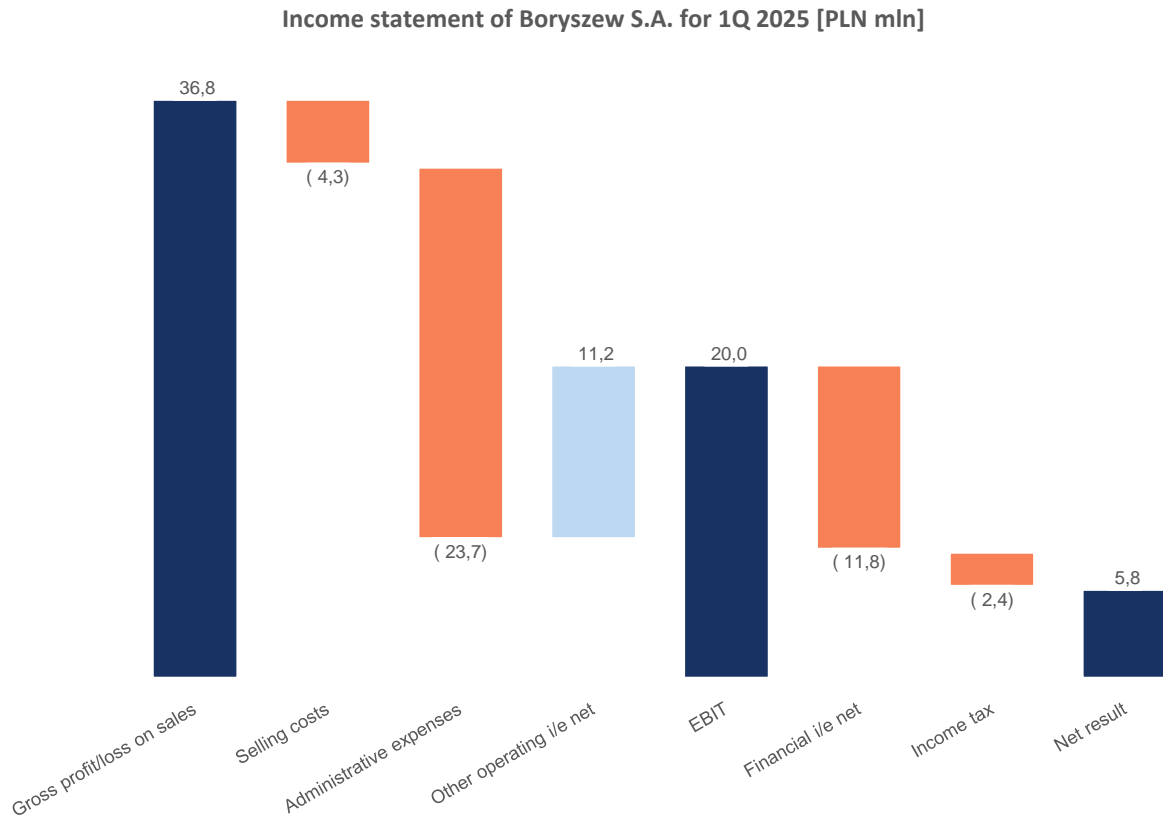
The **Chemicals segment** recorded lower revenues, compared to the same period of previous year, which was mainly due to a decrease in sales at the Chemistry and the Packaging division of Boryszew ERG Branch.

The **Other non-allocated segment** includes several companies with limited impact on the Group's consolidated results. Differences between the results for the first quarter of 2025 and the same period of 2024 are mainly due to consolidation adjustments between segments within the Group.



### **Boryszew S.A.**

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



Gross profit on sales after the first quarter of 2025 amounted to PLN 36.8 million and was higher by PLN 3.1 million than the result in the corresponding period of the previous year. Average gross margin on sales went up from 7.2% in 2024 to 7.9% today. Costs of sales were higher by PLN 1.1 million, or by 33.7% against the same period of the previous year. General and administrative expenses were also lower by PLN 2.0 million, or 7.8%, compared to costs in the first three months of 2024.

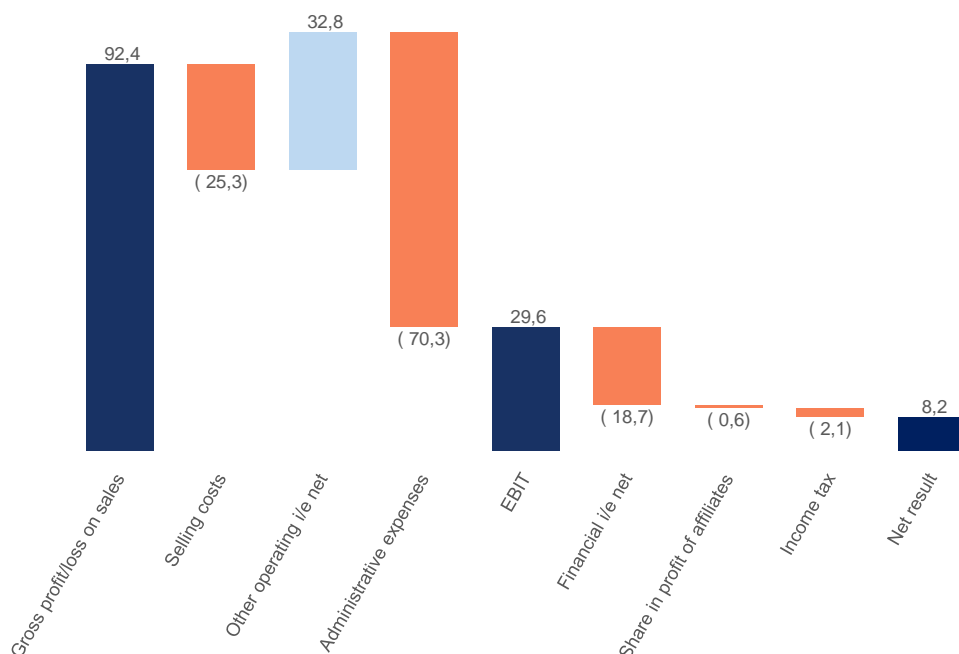
The balance of financial income/costs amounted to PLN 11.2 million and was lower by PLN 6.4 million against the corresponding period of 2024.

The balance of other financial income/costs amounted to minus PLN 11.8 million and was higher by PLN 0.1 million compared to the same period of the previous year.

## Boryszew Capital Group

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

### Profit and loss account of Boryszew Capital Group for 1Q 2025 [PLN mln ]



The gross result on sales after 3 months 2025 amounted to PLN 92.4 million and was higher by PLN 8.1 million against the result for the corresponding period of the previous year. Average gross margin on sales went up from 6.2% in 2024 to 6.9% today. Costs of sales were higher by PLN 0.5 million, or by 2.1% against the same period of the previous year. General and administrative expenses were lower by PLN 3.6 million, i.e. 4.9%, compared to the same period of 2024.

The balance of financial income/costs amounted to PLN 32.8 million and was lower by PLN 2.8 million against the corresponding period of 2024.

The result on financial operations amounted to minus PLN 18.7 million and was down by PLN 11.3 million compared to the same period of the previous year.

## OPERATING RESULTS BY SEGMENTS

### Boryszew S.A.

EBITDA results for Q1 '2025 were presented in accordance with the new operating segment structure, effective from the beginning of the year. This change enables a more accurate representation of the profitability of Group's key business areas. To ensure comparability, data for the corresponding period of the previous year have been restated to match the new segmentation. EBITDA levels by segment are as follows:

in PLN million	1Q 2025	1Q 2024	change
<b>EBITDA, including:</b>	<b>30.7</b>	<b>33.2</b>	<b>(2,5)</b>
Automotive Segment	16.9	19.5	(2,6)
Energy Segment	11.6	3.0	8.6
Chemicals segment	5.7	1.3	4.4
Other non-allocated (*)	(3.5)	9.4	(12,9)

\* including consolidation adjustments

After the first three months of 2025, EBITDA of Boryszew S.A. on continuing operations amounted to PLN 30.7 million, compared to PLN 33.2 million in the same period last year.

The EBITDA result declined slightly compared to the same period last year.

The decline in EBITDA in the Automotive Segment versus the same period last year was largely due to the appreciation of PLN. In the Energy Segment, reserves for receivables were reversed.

The higher y/y result in the Chemicals Segment is mainly related to asset sales.

### Boryszew Capital Group

After the first three months of 2025, EBITDA on continuing operations amounted to PLN 70.1 million, compared to PLN 60.3 million in the same period last year.

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

in PLN million	1Q 2025	1Q 2024	change
<b>EBITDA, including:</b>	<b>70.2</b>	<b>60.3</b>	<b>9.8</b>
Metals Segment	4.0	18.9	(14,9)
Circular Economy Segment	15.9	14.3	1.6
Automotive Segment	32.0	12.2	19.8
Energy Segment	12.1	4.1	8.0
Chemicals segment	5.7	1.2	4.5
Other non-allocated (*)	0.4	9.6	(9.2)

\* including consolidation adjustments

#### 1. Metals Segment

In the Metals Segment EBITDA declined in the first quarter of 2025 at all of segment companies. The largest decline was in the steel business. The main factors contributing to the deterioration of the result included lower prices for steel products in the European market, a decline in trade margins and a reduction in the scale of operations due to the liquidation of some operating assets. The deterioration of the market environment, including continued price pressure and slowing demand in key customer sectors, had a direct impact on the decline in EBITDA at all Segment Companies.

#### 2. Circular Economy Segment

The increase in EBITDA within this Segment was predominantly impacted by Baterpol S.A.'s operations. Despite persistently low lead quotations on raw material markets, the Company recorded an improvement in EBITDA owing it to increased sales volumes and effective implementation of optimization measures on the cost side.

#### 3. Automotive Segment

The significantly higher EBITDA in the Automotive Segment is mainly the result of the liquidation of unprofitable BAP Group companies and the effect of strict cost control.

#### 4. Energy Segment

The Energy Segment's higher result was positively influenced by the release of previously recognised reserves for receivables, reflecting improvements in the collectability and quality of the receivables portfolio.

#### 5. Chemicals segment

The increase in the Segment's EBITDA results is mainly due to operations at Boryszew ERG branch. Q1 '2025 saw an asset sale as part of the implementation of the strategy.

## 6. Other non-allocated

The Other non-allocated segment includes several companies of limited importance to the Group's financial performance. The differences observed between Q1 '2025 and the same period of the previous year are primarily due to consolidation settlements between business segments.

### NET PROFIT/LOSS

#### Boryszew S.A.

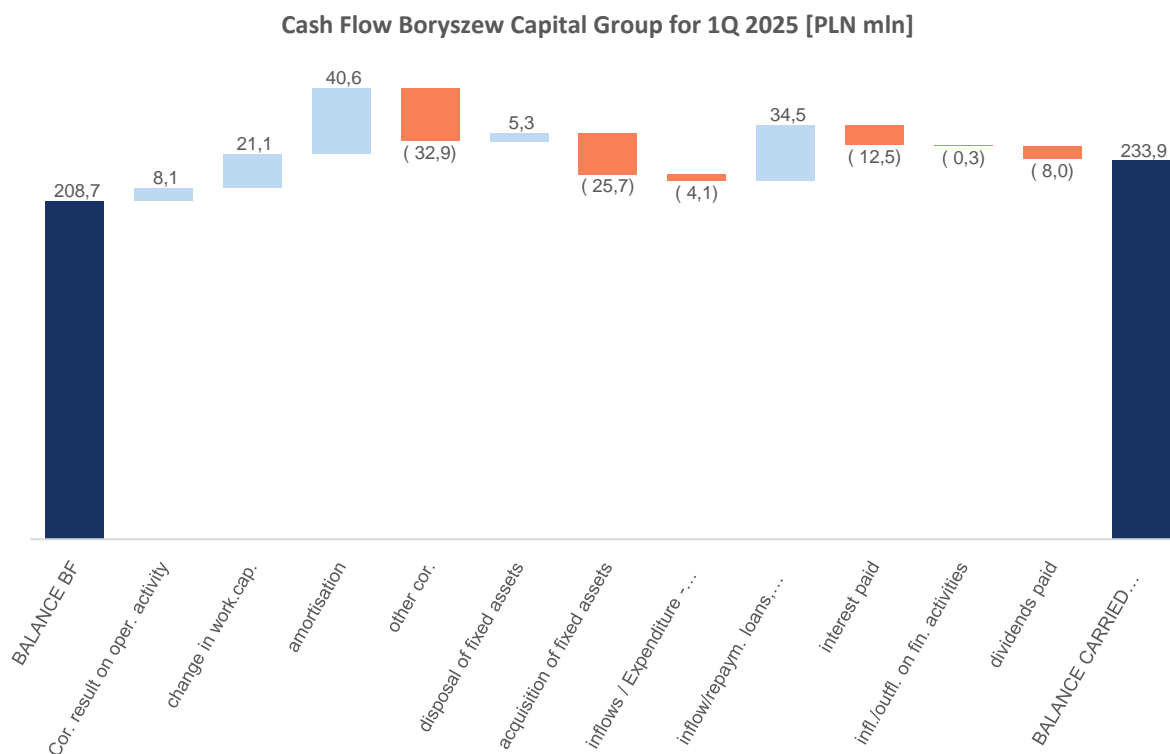
Net result of Boryszew S.A. for Q1 2025 amounted to PLN 5.8 million and is lower than in the same period of the previous year by PLN 1.3 million.

#### Boryszew Capital Group

The total net result on both continuing and discontinued operations amounted to PLN 8.2 million and was at a similar level compared to the same period last year.

### CASH FLOW

Cash flows for January-March 2025 are presented in the chart below:



After the first quarter of 2025 Boryszew Group generated positive cash flows from operating activities in the amount of PLN 36.8 million, which mainly came from a change in receivables.

The negative balance of flows from investing activities of PLN 24.5 million is due to the financing of modernisation and development investments in the Metals Segment.

The positive balance from financing activities in the amount of PLN 13.7 million was mainly due to obtaining new funds from loans while repaying a portion of previously incurred liabilities and servicing financing costs.

After the first three months of 2025 net debt of Boryszew Capital Group amounted to PLN 608.6 million and was lower by PLN 4.5 million compared to the end of the previous year.

The net debt/EBITDA ratio in the first three months of 2025 was 2.4 and is 0.1 lower than that at the end of 2024 (2.5) (where: - net debt = interest liabilities – cash and cash equivalents - loans granted; while interest liabilities = long-term liabilities + short-term liabilities (from loans, credits, leases, factoring)).

The Management Board positively evaluates the achieved financial results for 3 months of 2025, in all significant aspects. The current financial potential of the Boryszew Group as well as safe debt and liquidity ratios, in the opinion of the Management Board, indicate a strong ability to meet its obligations. The Management Board monitors the debt and liquidity situation on an ongoing basis so that, in the event of a significant deterioration in these indicators, they can respond appropriately to the causes and consequences of the situation.

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

Boryszew Capital Group is exposed to 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 Dzierżycie 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 Chemicals Segment, seasonality affects only some products manufactured by Boryszew S.A. Boryszew ERG Branch in Sochaczew and is not at a significant level. It applies mainly 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 the Capital Group.

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

Boryszew Capital Group operates in five industry segments.

##### OPERATING SEGMENTS

<b>Automotive</b>	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 in bankruptcy, 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 in liquidation, Boryszew HR Service Sp. z o.o., Boryszew Maflow Sp. z o.o.
<b>Metals</b>	WM Dzierżycie S.A., ZM SILESIA S.A., NPA Skawina 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., RAPZ Sp. z o.o.,
<b>Circular Economy</b>	Polski Cynk Sp. z o.o., Baterpol S.A., Baterpol Recycler Sp. z o.o., Zakład Utylizacji Odpadów Sp. z o.o.,
<b>Chemical products</b>	Boryszew S.A. Elana branch, Boryszew S.A. Oddział Boryszew ERG, Elimer Sp. z o.o.
<b>Energy</b>	Boryszew S.A. Boryszew Energy branch, Boryszew Green Energy & Gas Sp. z o.o., Boryszew Inwestycje Sp. z o.o.,
<b>Other non-allocated</b>	Boryszew S.A. - Head Office, Boryszew Real Estate Sp. z o.o., Boryszew Assets Sp. z o.o., Boryszew Property Sp. z o.o., "onesano" S.A, AGICORP-BOR Sp. z o.o.

**REVENUES FROM SALE BY DESTINATION MARKET**

	01.01.2025 - 31.03.2025	01.01.2024 - 31.03.2024
<b>Sales revenues by geographical areas</b>		
<b>Continuing operations</b>		
Domestic sales	500 174	529 740
Sales to EU countries	701 885	683 313
Sales to other European countries	42 610	61 871
Export outside Europe	91 809	74 420
Hedging instruments	1 844	-
<b>Total (revenues from continuing operations)</b>	<b>1 338 322</b>	<b>1 349 344</b>

**SHARE OF EU MEMBER STATES IN INTRA-COMMUNITY SALES**

	01.01.2025 - 31.03.2025	01.01.2024 - 31.03.2024
Germany	36%	36%
Czech Republic	25%	20%
Italy	8%	8%
Spain	3%	7%

**REVENUES AND RESULTS BY BUSINESS SEGMENTS IN Q1 2025**
*(data regarding continuing operations)*

<b>Continuing operations 01.01.2025 - 31.03.2025</b>	<b>Chemical products</b>	<b>Automotive</b>	<b>Metals</b>	<b>Circular Economy</b>	<b>Energy</b>	<b>Other non-allocated</b>	<b>Total</b>	<b>exclusions between segments</b>	<b>Total</b>
Revenues from sales	37 288	390 870	615 074	117 666	227 403	8 459	1 396 760	(58 438)	1 338 322
Segment costs of sales	31 269	354 193	597 905	98 369	220 610	2 754	1 305 100	(59 151)	1 245 949
<b>Result on sales within segment</b>	<b>6 019</b>	<b>36 677</b>	<b>17 169</b>	<b>19 297</b>	<b>6 793</b>	<b>5 705</b>	<b>91 660</b>	<b>713</b>	<b>92 373</b>
General, administrative and sales expenses	7 121	37 053	39 536	5 624	1 553	6 365	97 252	(1 615)	95 637
Other operating profit/loss	5 741	9 648	13 868	(561)	6 764	2 597	38 057	(5 223)	32 834
<b>Segment profit/loss</b>	<b>4 639</b>	<b>9 272</b>	<b>(8 499)</b>	<b>13 112</b>	<b>12 004</b>	<b>1 937</b>	<b>32 465</b>	<b>(2 895)</b>	<b>29 570</b>
Amortisation/depreciation	1 067	22 707	12 541	2 815	116	1 399	40 645	-	40 645
EBITDA *)	5 706	31 979	4 042	15 927	12 120	3 336	73 110	(2 895)	70 215
Segment assets	131 812	1 502 408	1 770 788	440 904	155 392	1 528 368	5 529 672	(1 852 363)	3 677 309
Segment liabilities	95 768	2 262 348	559 731	73 823	132 297	180 839	3 304 806	(1 201 381)	2 103 425

<b>Continuing operations 01.01.2024 - 31.03.2024</b>	<b>Chemical products</b>	<b>Automotive</b>	<b>Metals</b>	<b>Circular Economy</b>	<b>Energy</b>	<b>Other non-allocated</b>	<b>Total</b>	<b>exclusions between segments</b>	<b>Total</b>
Revenues from sales	41 427	420 402	622 145	96 998	216 454	7 699	1 405 125	(55 781)	1 349 344
Segment costs of sales	33 766	388 778	598 238	83 954	211 164	2 513	1 318 413	(53 301)	1 265 112
<b>Result on sales within segment</b>	<b>7 661</b>	<b>31 624</b>	<b>23 907</b>	<b>13 044</b>	<b>5 290</b>	<b>5 186</b>	<b>86 712</b>	<b>(2 480)</b>	<b>84 232</b>
General, administrative and sales expenses	7 937	42 215	38 170	4 297	1 702	5 642	99 963	(1 223)	98 740
Other operating profit/loss	24	1 307	19 734	2 929	364	10 505	34 863	787	35 650
<b>Segment profit/loss</b>	<b>(252)</b>	<b>(9 284)</b>	<b>5 471</b>	<b>11 676</b>	<b>3 952</b>	<b>10 049</b>	<b>21 612</b>	<b>(470)</b>	<b>21 142</b>
Amortisation/depreciation	1 455	21 473	13 470	2 669	131	1 375	40 573	(1 377)	39 196
EBITDA *)	1 203	12 189	18 941	14 345	4 083	11 424	62 185	(1 847)	60 338
Segment assets	182 594	1 569 302	1 874 898	419 538	147 350	1 742 103	5 935 785	(2 088 554)	3 847 231
Segment liabilities	105 719	2 195 907	598 271	81 808	138 522	192 394	3 312 621	(1 107 138)	2 205 483

\*) EBITDA = operating profit less depreciation expense

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

On 24 April 2025, the Management Board of Boryszew S.A. made a decision to submit to the next General Meeting of Boryszew S.A. a motion to pay a dividend in the amount of PLN 0.35 per share entitled to dividend, or in the total amount of PLN 71 821 750, from the Company's supplementary capital, which, according to the provisions of art. 348 § 1 of the commercial companies code may be assigned for distribution.

In the motion, the Management Board of Boryszew S.A. proposed:

- dividend date: 28 May 2025.
- dividend payment date: 4 June 2025.

The proposed amount of dividend to be distributed to shareholders is in line with the Company's published, via current report No. 21/2022 of 9 May 2022, dividend policy, and moreover, the payment of dividend in the amount proposed by the Management Board will not jeopardise the achievement of the Group's strategic goals.

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

On 24 April 2025 the Company's Supervisory Board approved the Management Board's proposal.

The final decision on the payment of dividends will be made by the General Meeting of Boryszew S.A., convened for 21 May 2025.

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

### **NON-EQUITY SECURITIES**

The Group issued no non-equity securities in Q1 2025 and up to the date of the report.

### **EQUITY SECURITIES**

The Group did not issue equity securities in Q1 '2025 or until the date of the report.

### **CAPITAL INVESTMENTS**

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.

At the same time, the ongoing talks between the US and Ukraine, the US and the Russian Federation, the European Union and Ukraine on the conditions for ending the war are an important part of Poland's current geopolitical environment. The outcome of these talks will be important both for Poland's security and the economic situation as well as the direction of industrial development and investment.

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 and the current situation 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 initially unstable 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. This in particular becomes relevant in the context of the current geopolitical situation, the development of Europe's defense capabilities and the investment in Shield East.

Q1 '2025 saw no disruptions to the Group's operations resulting from the war in Ukraine; the risks described above were mitigated by the proactive actions of Group companies and relevant 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 Q1 '2025 include:

- continued downward trend in European demand (one could speak of an economic crisis), including a slowdown in the German economy,
- influx of cheap products from Asia,
- continued high levels of inflation and interest rates,
- slower pace of car electrification and strong competition from China,
- crisis in the European automotive industry,
- slower pace of car electrification and strong competition from China,
- supply chain disruptions caused by EU energy policy requirements and global armed conflicts
- the prospect of new trade deals with the US, including the announcement of tariffs,
- 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 energy carriers,
- 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,
- cost of raw materials used in production,
- costs of adapting production processes to the environmental requirements of the European Union,
- market uncertainty in the face of geopolitical tensions as well as existing and potential armed conflicts (including the tension between India and Pakistan),
- conditions for ending the armed conflict between the Russian Federation and Ukraine,
- the prospect of new trade deals, change of tariffs and fees by the US and global economies,
- global economic situation, especially in key industries and markets,
- 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 level of business investment, which limits growth potential,
- PLN exchange rate against foreign currencies (affects the margin earned in PLN due to the significant share of export sales),
- volatility of tax laws and other regulations,
- changes in consumer sentiment that alter demand for durable goods,
- unfavorable demographic structure and low level of unemployment,
- level of use of funds from the National Recovery Plan,
- increase in military investment 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,
- adapting production processes to the requirements of energy transition,
- implementation of investments in upgrading production technologies and in fixed assets necessary for new contracts,
- level of employee turnover.

In 2025, GDP growth is expected to accelerate in the range of 3.6% - 3.7%. GDP growth is also expected to be stable in the coming years.

Throughout 2025, investment is expected to be higher than in 2024 (as a result of access to cheaper financing and a strong increase in the inflow of EU funds and an increase in military investment spending).

An important factor for Poland's economic situation is foreign demand, which will be limited in the coming periods due to the economic slowdown in the Eurozone, particularly the stagnant German economy.

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 31.03.2025	Balance on 31.12.2024	change
Sureties for the repayment of loans and other liabilities by associated companies	103 615	106 283	(2 668)
Liability for tax risks on proceedings in ZM SILESIA S.A. (change described in Note 17)	175 228	171 954	3 274
Potential liability under concluded contract	14 644	14 956	(312)
<b>Total</b>	<b>293 487</b>	<b>293 193</b>	<b>294</b>

	Balance on 31.03.2025	Balance on 31.12.2024	change
<b>Contingent liabilities</b>	<b>103 615</b>	<b>106 283</b>	<b>(2 668)</b>
<b>resulting from granted guarantees, sureties and other liabilities</b>	<b>103 615</b>	<b>106 283</b>	<b>(2 668)</b>
<b>Increases / decreases in the period of 3 months ended on 31.03.2025, including:</b>			<b>(2 668)</b>
<b>Additions</b>			-
<b>Reductions</b>			<b>(2 668)</b>
- Reduction due to valuation of sureties			(2 668)
- Decrease in the amount of existing sureties due to expiration, reduction			-

	Balance on 31.03.2025	Balance on 31.12.2024	change
<b>Contingent assets/ CO2 emission rights</b>	<b>17 691</b>	<b>20 333</b>	<b>(2 642)</b>

The change in the value of contingent assets as at 31.03.2025 compared to 2024 is due to the disposal of emission rights held and the change in the valuation as at the reporting date of emission rights held.

The market value of CO<sub>2</sub> emission rights (EUA) held on 31.03.2025 is PLN 17.69 million [62 988 units x EUR 67.13 (average quote for CO<sub>2</sub> emission futures) x 4.1839 (average NBP exchange rate as at 31.03.2025)]

## 11. FINANCIAL INSTRUMENTS, FAIR VALUE AND ESTIMATED DATA

### Financial assets per balance sheet on 31.03.2025

	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		23 838	23 917
Trade receivables, factoring	596 404	22 656			619 060
Derivative financial instruments		-	7 918		7 918
Loans granted	12 373				12 373
Other debtors	64 211				64 211
Cash and cash equivalents	233 882				233 882
<b>Total</b>	<b>906 870</b>	<b>22 735</b>	<b>7 918</b>	<b>23 838</b>	<b>961 361</b>

### Financial assets per balance sheet on 31.12.2024

	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		23 838	23 917
Trade receivables, factoring	491 987	28 979			520 966
Derivative financial instruments		-	8 718		8 718
Loans granted	12 173				12 173
Other debtors	58 439				58 439
Cash and cash equivalents	208 706				208 706
<b>Total</b>	<b>771 305</b>	<b>29 058</b>	<b>8 718</b>	<b>23 838</b>	<b>832 919</b>

### Financial liabilities on 31.03.2025

	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	801 289			801 289
Derivative financial instruments		-	837	837
Lease liabilities	41 189			41 189
Right-of-use liabilities	132 588			132 588
Trade and other liabilities	661 886			661 886
<b>Total</b>	<b>1 636 952</b>	<b>-</b>	<b>837</b>	<b>1 637 789</b>

**Financial liabilities on 31.12.2024**

	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	775 820			775 820
Derivative financial instruments		-	1 884	1 884
Lease liabilities	45 968			45 968
Right-of-use liabilities	134 075			134 075
Trade and other liabilities	595 134			595 134
<b>Total</b>	<b>1 550 997</b>	<b>-</b>	<b>1 884</b>	<b>1 552 881</b>

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

	Fair value as at		Hierarchy
	Balance on 31.03.2025	Balance on 31.12.2024	of fair value
<b>Financial assets</b>			
Derivative financial instruments	7 918	8 718	Level 2
<b>Financial obligations</b>			
Derivative financial instruments	837	1 884	Level 2

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

	Fair value as at		Hierarchy
	Balance on 31.03.2025	Balance on 31.12.2024	of fair value
<b>Financial assets</b>			
Shares and stock	23 917	23 917	Level 3
Borrowings	12 373	12 173	Level 3
Trade and other receivables	683 271	579 405	Level 3
Cash and cash equivalents	233 882	208 706	Level 1
<b>Financial obligations</b>			
Borrowings and loans	801 289	775 820	Level 2
Trade and other liabilities	661 886	595 134	Level 3
Lease liabilities	41 189	45 968	Level 2
Liabilities to SMA and due to right-of-use assets	132 588	134 075	Level 2
Liabilities to SMA - investment property	61 948	62 034	Level 2

**Effect on the result of asset write-offs**

	01.01.2025 - 31.03.2025	01.01.2024 - 31.03.2024
Creation of value impairment write-offs for accounts receivable	(865)	(925)
Reversal of write-downs on accounts receivable (-)	565	437
Creation of value impairment write-offs for inventories	(187)	(1 224)
Value impairment write-offs for inventories	6 624	14 545
Tangible fixed assets impairment write-offs	-	(195)
Reversal of tangible fixed assets impairment write-offs	82	82
<b>Total impact on profit/loss</b>	<b>6 219</b>	<b>12 720</b>

**Valuation to fair value of investment properties**

	01.01.2025 - 31.03.2025	01.01.2024 - 31.03.2024
Valuation to fair value of investment properties	(296)	12 245



# Boryszew Capital Group

Abbreviated interim consolidated financial statements for the period between 1 January and 31 March 2025 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
<b>Balance on 01.01.2024</b>	<b>8 080</b>	<b>1 014</b>	<b>786</b>	<b>5 983</b>	<b>18 669</b>	<b>7 318</b>	<b>41 850</b>
<b>Movement:</b>	<b>(35)</b>	<b>-</b>	<b>-</b>	<b>(921)</b>	<b>3 108</b>	<b>(855)</b>	<b>1 297</b>
<i>Interest expense</i>	15	-	-	-	-	-	15
<i>Current employment costs</i>	67	-	-	-	4 860	1 948	6 875
<i>Past employment costs</i>	-	-	-	(766)	(774)	-	(1 540)
<i>Benefits paid</i>	(106)	-	-	(96)	(1 008)	(2 746)	(3 956)
<i>impact of exchange rate differences and other</i>	(15)	-	-	(59)	30	(57)	(101)
<i>Actuarial gains and losses - financial changes</i>	4	-	-	-	-	-	4
<b>Balance on 31.03.2025</b>	<b>8 045</b>	<b>1 014</b>	<b>786</b>	<b>5 062</b>	<b>21 777</b>	<b>6 463</b>	<b>43 147</b>
<b>Change</b>	<b>(35)</b>	<b>-</b>	<b>-</b>	<b>(921)</b>	<b>3 108</b>	<b>(855)</b>	<b>1 297</b>
<i>change recognised in P&amp;L (- cost, + decrease in cost)</i>	(39)	-	-	(921)	3 108	(855)	1 293
<i>Change included in equity (gain+/lose-)</i>	4	-	-	-	-	-	4

long-term provisions	12 585
short-term provisions	30 562



# 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
<b>Balance on 01.01.2024</b>	<b>9 863</b>	<b>1 095</b>	<b>823</b>	<b>8 201</b>	<b>22 192</b>	<b>14 174</b>	<b>56 348</b>
<b>Movement:</b>	<b>(1 783)</b>	<b>(81)</b>	<b>(37)</b>	<b>(2 218)</b>	<b>(3 523)</b>	<b>(6 856)</b>	<b>(14 498)</b>
<i>Interest expense</i>	350	40	36	170	(139)	-	457
<i>Current employment costs</i>	(573)	54	48	286	3 850	7 160	10 825
<i>Past employment costs</i>	2	-	-	(1 115)	(2 544)	(2 397)	(6 054)
<i>Benefits paid</i>	(1 172)	(59)	-	(590)	(4 441)	(11 486)	(17 748)
<i>impact of exchange rate differences and other</i>	188	-	-	(258)	(249)	(133)	(452)
<i>Actuarial gains and losses - demographic changes</i>	61	(38)	(94)	34	-	-	(37)
<i>Actuarial gains and losses - financial changes</i>	(639)	(78)	(27)	(745)	-	-	(1 489)
<b>Balance on 31.12.2024</b>	<b>8 080</b>	<b>1 014</b>	<b>786</b>	<b>5 983</b>	<b>18 669</b>	<b>7 318</b>	<b>41 850</b>
<b>Change</b>	<b>(1 783)</b>	<b>(81)</b>	<b>(37)</b>	<b>(2 218)</b>	<b>(3 523)</b>	<b>(6 856)</b>	<b>(14 498)</b>
<i>change recognised in P&amp;L (- cost, + decrease in cost)</i>	(1 205)	35	84	(1 507)	(3 523)	(6 856)	(12 972)
<i>Change included in equity (gain+/lose-)</i>	(578)	(116)	(121)	(711)	-	-	(1 526)
long-term provisions	13 412						
short-term provisions	28 438						



# Boryszew Capital Group

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(amounts expressed in PLN '000 unless specified otherwise)

## Other Reserves Status Change

01.01.2025 - 31.03.2025	Balance on 01.01.2025	creation of provision	provisions used during the year	reversal of unused provision	exchange differences on translation and other	Provisions of acquired/disposed entities	Balance on 31.03.2025
Provisions for restructuring costs	14 800	-	(3 564)	(2 276)	(390)	-	8 570
Provisions for liquidation of fixed assets	5 599	-	-	(18)	-	-	5 581
Provisions for waste disposal and land reclamation	11 710	699	(253)	-	-	-	12 156
Provisions for non-execution of contracts	16 085	3 977	(432)	(116)	(192)	-	19 322
Provisions for court proceedings	6 793	48	(625)	(17)	(8)	-	6 191
Provisions for warranty repairs, complaints	7 711	640	(53)	(117)	(33)	-	8 148
Provision for tax risks and fiscal claims	22 020	-	-	-	(15)	-	22 005
Provisions for loss-making contracts (onerous contracts)	296	673	(606)	-	(17)	-	346
<b>Total</b>	<b>85 014</b>	<b>6 037</b>	<b>(5 533)</b>	<b>(2 544)</b>	<b>(655)</b>	<b>-</b>	<b>82 319</b>
long-term provisions	49 647						52 442
short-term provisions	35 367						29 877





# Boryszew Capital Group

Abbreviated interim consolidated financial statements for the period between 1 January and 31 March 2025 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

01.01.2024 - 31.12.2024	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	Balance on 31.12.2024
Provisions for restructuring costs	9 158	19 087	(13 117)	-	(328)	-	14 800
Provisions for liquidation of fixed assets	5 222	383	-	(6)	-	-	5 599
Provisions for waste disposal and land reclamation	11 904	382	(576)	-	-	-	11 710
Provisions for non-execution of contracts	16 568	3 005	(2 306)	(889)	(293)	-	16 085
Provisions for court proceedings	4 741	2 667	(16)	(548)	(51)	-	6 793
Provisions for warranty repairs, complaints	8 380	3 226	(1 991)	(1 828)	(76)	-	7 711
Provision for tax risks and fiscal claims (*)	146 187	901	-	(124 924)	(144)	-	22 020
Provisions for loss-making contracts (onerous contracts)	2 287	1 845	(3 841)	-	5	-	296
<b>Total</b>	<b>204 447</b>	<b>31 496</b>	<b>(21 847)</b>	<b>(128 195)</b>	<b>(887)</b>	<b>-</b>	<b>85 014</b>
<i>long-term provisions</i>	<i>48 379</i>						<i>49 647</i>
<i>short-term provisions</i>	<i>156 068</i>						<i>35 367</i>

(\*) Reversal of provisions for tax proceedings at ZM Silesia S.A.

**Transactions with affiliated entities**

	Associates	Personally related entities
<b>in the period 01.01.2025 - 31.03.2025</b>		
Revenues from sales (of products, services, goods)	230	2 070
Purchase of goods and services	1 667	1 708
<b>balance on 31.03.2025</b>		
Trade receivables	125	1 288
Trade liabilities	746	1 039

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

**12. ORGANISATION OF THE CAPITAL GROUP**
**BORYSZEW S.A.**

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

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

In Q1 '2025 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; The branch was acquired on August 10, 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 external customers.

## **STRUCTURE OF BORYSZEW GROUP**

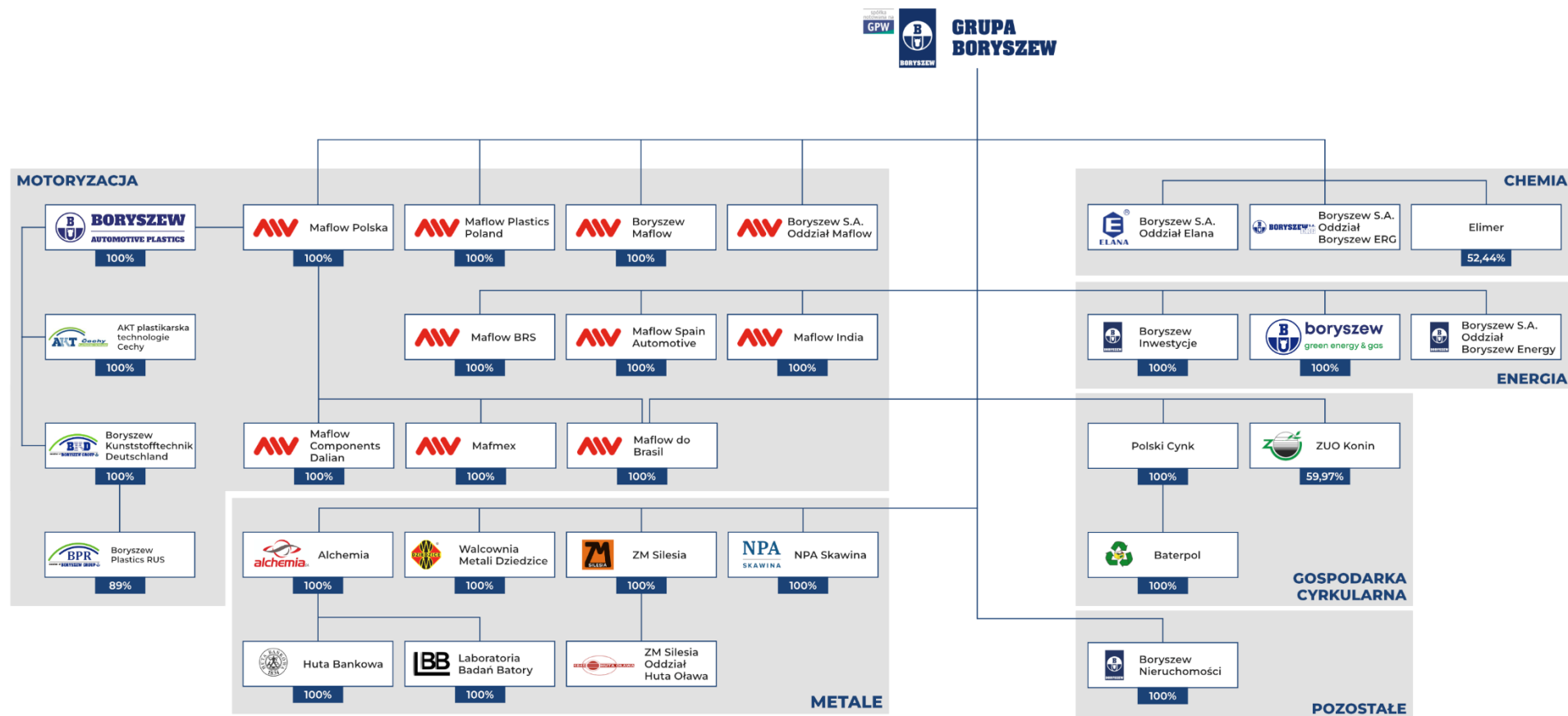
Boryszew Capital Group is one of the largest private industrial groups in Poland.

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. As of 2025, the Group's operations are based on five business segments: Metals, Automotive, Circular Economy, Chemicals, Energy.

### **Development of Boryszew Group**

1. 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.
2. 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.
3. Continuing to invest in the automotive segment, 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.
4. 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.
5. In November 2020, Boryszew S.A. acquired from Impexmetal S.A. shares in Impexmetal Group companies. On 6 November 2020 Boryszew S.A. sold Impexmetal S.A. to a third party (Gänges AB).
6. 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.
7. In 2022 Boryszew S.A. sold Nylonbor Spółka z o.o., based in Sochaczew, to a 3rd party investor.
8. In January 2023, NPA Skawina Spółka z o.o. (until 31 December 2022 operating in the structure of Boryszew S.A. Modern Aluminum Products Skawina Branch) launched its operations.
9. In 2022 - 2023, Boryszew S.A. acquired a total of 28 000 000 shares of "onesano" S.A. (formerly: Skotan S.A.), representing approximately 42.50% of the share capital of this Company.
10. The Company did not acquire or dispose of any significant equity interests in 2024 or Q1 '2025.

**SIMPLIFIED ORGANISATIONAL CHART OF BORYSZEW CAPITAL GROUP (ON 31 MARCH 2025)**



### **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**

#### **Alchemia S.A.**

On 4 November 2024, the Management Board of Alchemia S.A. decided to commence liquidation of the Company's branch, i.e., Alchemia. Alchemia S.A. Rurexpol Branch in Częstochowa, which continues to the present. The production process of Rurexpol Branch, due to the ongoing liquidation process, was terminated on 28 February 2025.

#### **Boryszew Kunststofftechnik Deutschland GmbH in bankruptcy**

On 3 March 2025 the Management Board of indirect subsidiary of Boryszew S.A., Boryszew Oberflächentechnik Deutschland GmbH (BKD) filed a petition of bankruptcy of this company with competent court.

The proposal is for ordinary bankruptcy, in accordance with German bankruptcy law.

On 8 May 2025 the Management Board of Boryszew S.A. became aware of the opening of BKD's bankruptcy proceedings and the appointment of a receiver.

BKD holds 100% of shares in Boryszew Oberflächentechnik Deutschland GmbH in bankruptcy under self-administration, Boryszew Formenbau Deutschland GmbH in bankruptcy under self-administration, and 89.11% of shares in Boryszew Plastic Rus Sp. z o.o.

Due to the declaration of bankruptcy of BKD, it is planned to only consolidate BKD with its subsidiaries, the effect will be presented in the report for the first half of 2025.

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

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

#### **Forecasts of financial result**

The Management Board of Boryszew S.A. published no forecasts of the financial result for 2025.

#### **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.

According to the adopted Business Strategy for Boryszew Group for 2024 - 2028, the low-margin activities of the Chemistry and Metal Segment will be gradually extinguished. On the date of publication of the report, Alchemia SA has taken steps to terminate the operations of its branches: Kuźnia Batora (deleted from the National Court Register in June 2024), WRA and Rurexpol.

The adopted Strategy is currently being implemented. Due to macroeconomic conditions (including lower economic growth) and competition from the Far East, the Group's results are below plans. Currently the Company can see no threats to the implementation of the Strategy in the assumed time horizon until 2028.

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

The table below presents Shareholders holding more than 5% of the share capital and of the total number of votes as at 31.03.2025 and the date of submitting the report for publication:

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

(\*) 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 31.03.2025 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

In the period between submitting the report for 2023 on 17 April 2025 to the date of publication of the report for the first quarter of 2025 no changes occurred in the ownership structure of significant blocks of shares of Boryszew S.A.

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

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

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

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

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

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

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

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

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

Between the date of submitting the report for 2024 and the date of publication of the report for Q1 2025, 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. MATERIAL 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 sectors which, due to their specific nature, are 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 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 S.A. lodged a complaint with the Provincial Administrative Court against the above decision.

On 13 December 2021 ZM SILESIA S.A. 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 S.A. was notified of the freeze of bank accounts.

On 23 December 2021, ZM SILESIA S.A. 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 S.A., became aware of the release of the blockade of bank accounts.

On 10 February 2022, ZM SILESIA S.A. 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 S.A. 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 S.A. 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 S.A. 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 S.A. 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 cassation appeals have been filed with the Supreme Administrative Court.



**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, 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.  
Until the date of publication of the report, the NSA had not scheduled a hearing date.
- 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.  
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. On 3 December 2024, the Company received a decision from the Head of the Fiscal Administration Chamber in Warsaw (appeal authority) upholding the decision of the Head of Mazowiecki Tax and Customs Office in Warsaw of 27 October 2023, determining the overdue VAT liabilities for the period December 2015 and January-March 2016 in the amount of PLN 23 034 553 plus interest due.

The company appealed the aforementioned decision of the appeal authority to the Provincial Administrative Court in Warsaw.

#### **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. In November 2024 the parties filed a cassation appeal with the Supreme Administrative Court (no hearing date has yet been determined on the date of this note).

#### **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:

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

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

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

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

The balance of provisions for all tax risks in the consolidated financial statement of Boryszew S.A. on the balance sheet date ended on 31 March 2025 is PLN 22 005 thousand (high risk). Furthermore, the Group recognises contingent liabilities in the amount of PLN 171 954 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**

- Boryszew Oberflächentechnik Deutschland GmbH in bankruptcy under self-administration (BOD) received a decision from the investment bank Investitionsbank des Landes Brandenburg (ILB) revoking the decision received in 2015 on the support of an investment involving the construction of a new production plant, due to failure to meet the condition of maintaining the investment's sustainability period, set for the period until 16 January 2026 (due to the filing of a bankruptcy petition). The amount of funding received was EUR 4 176 thousand (PLN 17 844 thousand). In March 2025 BOD filed an appeal against this decision with the German administrative court. In 2025 Boryszew S.A. granted a surety for BOD's obligations to ILB under the grant up to the amount of EUR 5.1 million for the life of the project, i.e. originally until 12 February 2021. Due to the extension of the project life to 16 January 2026 by agreement between BOD and ILB, a risk exists of interpretation that the period of the surety granted by Boryszew S.A. has been extended to 16 January 2026. The company believes that the probability of realisation of the guarantee is low; therefore, Boryszew S.A. recognised this risk as a contingent liability in the books.
- 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. As a result of the appeal, the President of the OCCP upheld the decision to impose fines, reducing however its amount to PLN 2.6 million, by decision of 16 December 2024. The penalty was paid by Boryszew S.A. in January 2025. The company filed a complaint against this decision of the President of the OCCP with the Regional Administrative Court.
- 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 (PLN 8.12 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 (PLN 1.35 million) with incidental receivables and the amount of USD 1.34 million (PLN 5.50 million) with incidental receivables

(currently the amount of USD 1.46 million (PLN 5.99 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 2024. SILKADA LTD assigned the aforementioned receivables to OSP real, s.r.o. In July 2024 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 (PLN 5.99 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 (PLN 5.99 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 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 non-commercial transactions between related parties (outside Boryszew Group) occurred in Q1 2025.

## **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**

Information on breach of material provisions of credit or loan agreements

As at 31 March 2025 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. - net debt/ EBITDA ratio, debt service coverage ratio (DSCR).
- Walcownia Metali Dziedzice S.A. (WMD) - net debt/EBITDA ratio, the level of inventory and the level of accounts receivable.

At the moment of publication, the aforementioned Companies anticipate no consequences following the non-fulfillment of loan agreements.

The Management Board of the parent company believes that the failure to meet the covenants in the loan agreements described above has no impact on the liquidity of the companies in which these events occurred.

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 31.03.2025

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

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

#### Guarantees and sureties as at 31.03.2025

Entity on whose behalf the surety or guarantee was issued	Entity for which guarantee or surety was issued	Value of guarantee	Expiry date of guarantee
<b>MAFMEX S. de R.L. de C.V.</b>	Mafmex's performance bond for AB Volvo	20 920	term of the agreement
	Mafmex's rent payment bond to Innova Dintel	11 519	30.06.2030
	BMW AG performance bond	25 103	contract period + 15 years
<b>Mafrow Components (Dalian) Co. Ltd.</b>	BMW AG performance bond	25 103	contract period + 15 years
<b>Boryszew Oberflächentechnik Deutschland GmbH in bankruptcy under self-administration</b>	Guarantee granted to Investitionsbank des Landes Brandenburg	20 970	16.01.2026
<b>Total</b>		<b>103 615</b>	

#### Guarantees and sureties as at 31.12.2024

Entity on whose behalf the surety or guarantee was issued	Entity for which guarantee or surety was issued	Value of guarantee	Expiry date of guarantee
<b>MAFMEX S. de R.L. de C.V.</b>	Mafmex's performance bond for AB Volvo	21 365	term of the agreement
	Mafmex's rent payment bond to Innova Dintel	12 225	30.06.2030
	BMW AG performance bond	25 638	contract period + 15 years
<b>Mafrow Components (Dalian) Co. Ltd.</b>	BMW AG performance bond	25 638	contract period + 15 years
<b>Boryszew Oberflächentechnik Deutschland GmbH in bankruptcy under self-administration</b>	Guarantee granted to Investitionsbank des Landes Brandenburg	21 417	16.01.2026
<b>Total</b>		<b>106 283</b>	

### 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

The Management Board of Boryszew S.A. made a decision to conduct group layoffs based on the Act of 13 March 2003 on specific rules applying to termination of employment contracts for reasons not due to the employees ("Act") in Boryszew S.A. Maflow Branch in Tychy.

The decision was based on the necessity to introduce organisational and structural as well as organisational and technological changes aimed at improving the business and financial situation of Maflow Branch, involving the optimisation of production processes and the consolidation of production facilities, including, in particular, through the transfer of projects from Chelmek facility 1 to the facilities in Tychy and Toruń. After the reorganisation and transfer of production projects, it is intended to liquidate Chelmek 1 facility. Group layoffs will be completed by 31 December 2026. If employees accept job offers at other facilities, the layoffs will involve no more than 208 employees in different occupational groups and will apply in particular to the reorganised Chelmek 1 facility. In the absence of acceptance of proposals to continue employment at other facilities, more employees will have to be laid off and, consequently, the number of people mentioned above may increase to a maximum of 534 employees. In all possible cases, employees of the reorganised facility will be offered jobs in other areas of the company. The estimated amount of the provision for employment restructuring at Maflow branch is app. PLN 7 million.

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 Capital Group

##### ZM SILESIA S.A.

Following the completion on 20 January 2025 of the review of the status of tax proceedings at ZM SILESIA S.A., based in Katowice ("ZMS"), carried out for the purpose of the process of preparing the Issuer's consolidated financial statements and annual report for 2024, the company reassessed the risks associated with these audits.

The reasoning in the written justifications of the judgments of administrative courts concerning ZMS tax proceedings for 2013-2014 and for the first half of 2015, indicating the high probability of the statute of limitations for ZMS tax liabilities and the instrumental use of the institution of suspension of the statute of limitations following the initiation of criminal and fiscal proceedings, justifies the Company's position that the probability of a negative outcome for ZMS in these proceedings is low. At this point it is also important that the concurrent dispute regarding the statute of limitations on VAT liabilities for 2012 has already been finally resolved in favour of ZMS.

In the Issuer's opinion, continuing to maintain provisions for ongoing ZMS tax proceedings, in view of the low probability of a negative outcome for ZMS in the aforementioned audits, would not fully reflect the Issuer's current assessment of the impact of these audits on the Issuer's situation. Consequently, this could mislead shareholders about the real impact of audits in which favourable judgments were issued for ZMS by courts of first instance on the Group's consolidated financial results and asset. Accordingly, as a result of the updated assessment, the Issuer chose to dissolve and recognise in the Group's profit or loss all provisions established for these audits.

##### Boryszew Kunststofftechnik Deutschland GmbH in bankruptcy

On 3 March 2025 the Management Board of indirect subsidiary of Boryszew S.A., Boryszew Oberflächentechnik Deutschland GmbH (BKD) in bankruptcy filed a petition with competent court to announce bankruptcy of this company.

According to the proposal, the petition is for ordinary bankruptcy, in accordance with German bankruptcy law.

The aforementioned decision results from the deteriorating situation in the execution of existing contracts (decline in volumes) which caused major decrease of sales and a reduction in new orders from major customers. An additional factor negatively affecting the situation of the aforementioned entity 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 the potential of achieving self-financing of the business by BKD in a reasonable time perspective.

BKD holds 100% of shares in Boryszew Oberflächentechnik Deutschland GmbH in bankruptcy under self-administration, Boryszew Formenbau Deutschland GmbH in bankruptcy under self-administration, and 89.11% of shares in Boryszew Plastic Rus Sp. z o.o.

Following Boryszew Kunststofftechnik Deutschland GmbH bankruptcy petition, the Management Board of Boryszew S.A. decided to disclose a write-off in the separate financial statements for 2024 on loans granted to BKD and other receivables from the period 2011 to 2024 in the total amount of PLN 256.5 million.



## **Boryszew Capital Group**

**Abbreviated interim consolidated financial statements for the period between 1 January and 31 March 2025 drafted in accordance with IAS 34 as adopted by the European Union**

(amounts expressed in PLN '000 unless specified otherwise)

### **24. DECLARATIONS OF THE MANAGEMENT BOARD**

The Management Board of Boryszew S.A. represents that to the best of its knowledge the consolidated financial statements of Boryszew Capital Group and comparable data for the first quarter of 2025 were compiled in accordance with the binding accounting principles and truly, accurately and clearly reflect the actual and financial condition as well as the financial result of Boryszew Capital Group as well as true picture of development and achievements and situation of Boryszew Capital Group, including description of basic risks and threats.



**ABBREVIATED MID-YEAR FINANCIAL STATEMENTS**

**Boryszew S.A.**

**for the period between 1 January and 31 March 2025**




**Boryszew S.A.**

Abbreviated interim financial statements for the period between 1 January and 31 March 2025  
drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

**STATEMENT OF COMPREHENSIVE INCOME**

	01.01.2025 - 31.03.2025	01.01.2024 - 31.03.2024
Revenues from sales	464 153	466 804
Cost of sales	427 371	433 106
<b>Gross profit on sales</b>	<b>36 782</b>	<b>33 698</b>
Selling costs	4 285	3 204
General and administrative expenses	23 675	25 689
Other operating revenues	14 316	27 427
Other operating expenses	3 153	9 874
<b>Operating income</b>	<b>19 985</b>	<b>22 358</b>
Financial revenues	22 157	20 287
Financial expenses	33 983	32 240
<b>Profit before taxation</b>	<b>8 159</b>	<b>10 405</b>
Income tax	2 350	3 318
<b>Net profit</b>	<b>5 809</b>	<b>7 087</b>
<b>Earnings / Diluted earnings per share</b>		
Weighted average number of shares	205 205 000	205 205 000
Earnings / Diluted earnings per share (PLN)	0.03	0.03

	01.01.2025 - 31.03.2025	01.01.2024 - 31.03.2024
<b>Net profit</b>	<b>5 809</b>	<b>7 087</b>
<b>Earnings recognised in equity</b>		
Hedge accounting (pre-tax)	-	22
Income tax	-	(4)
<b>Earnings recognised in equity, to be transferred to income statement</b>	<b>-</b>	<b>18</b>
<b>Earnings recognised in equity, not to be transferred to income statement</b>	<b>-</b>	<b>-</b>
<b>Total earnings recognised in equity</b>	<b>-</b>	<b>18</b>
<b>Total comprehensive income</b>	<b>5 809</b>	<b>7 105</b>


**Boryszew S.A.**

Abbreviated interim financial statements for the period between 1 January and 31 March 2025  
drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

**STATEMENT OF FINANCIAL POSITION**

<b>ASSETS</b>	<b>Balance on 31.03.2025</b>	<b>Balance on 31.12.2024</b>	<b>Balance on 31.03.2024</b>
<b>Non-current assets</b>	<b>1 309 484</b>	<b>1 305 005</b>	<b>1 402 924</b>
Tangible fixed assets	145 427	149 071	161 657
Investment property	15 546	11 180	31 107
Goodwill	-	-	-
Intangible assets	11 594	12 127	13 816
Right-of-use assets	98 251	100 908	113 437
Shares in subsidiaries and associates	887 689	887 689	886 639
Financial assets	66 275	60 072	51 643
Long-term receivables	66 658	65 347	132 927
Deferred tax assets	18 044	18 611	11 698
<b>Current assets</b>	<b>630 252</b>	<b>640 099</b>	<b>816 850</b>
<b>Current assets other than assets held for sale</b>	<b>630 262</b>	<b>638 926</b>	<b>816 850</b>
Inventories	120 516	123 202	156 944
Trade receivables and other receivables	357 264	350 746	327 479
Short-term financial assets	144 156	152 124	318 415
Current tax receivables	17	458	-
Cash and cash equivalents	8 309	12 396	14 012
<b>Assets classified as held for sale</b>	<b>-</b>	<b>1 173</b>	<b>-</b>
<b>Total assets</b>	<b>1 939 746</b>	<b>1 945 104</b>	<b>2 219 774</b>


**Boryszew S.A.**

Abbreviated interim financial statements for the period between 1 January and 31 March 2025  
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(amounts expressed in PLN '000 unless specified otherwise)

LIABILITIES AND EQUITY	Balance on 31.03.2025	Balance on 31.12.2024	Balance on 31.03.2024
<b>Equity</b>	<b>979 601</b>	<b>973 792</b>	<b>1 218 153</b>
Share capital	248 906	248 906	248 906
Share premium	112 346	112 346	112 346
Own shares	(182 816)	(182 816)	(182 816)
Hedge accounting capital	-	-	(9)
Capital reserve on translating employee payables	56	56	(349)
Revaluation reserve and gain on disposal of financial assets	-	-	3 433
Retained earnings	801 109	795 300	1 036 642
<b>Liabilities and long-term provisions</b>	<b>192 223</b>	<b>192 622</b>	<b>234 223</b>
Bank loans, borrowings	48 000	45 546	89 979
Lease and right-of-use liabilities	69 071	71 579	78 048
Employee benefit provisions	2 720	2 720	3 094
Other provisions	32 601	32 601	31 916
Trade payables and other liabilities	35 000	35 000	25 000
Other long-term liabilities	4 831	5 176	6 186
<b>Short-term liabilities</b>	<b>767 922</b>	<b>778 690</b>	<b>767 398</b>
Bank loans, borrowings	430 439	430 297	395 193
Lease and right-of-use liabilities	18 100	18 811	19 383
Trade payables and other liabilities	307 726	319 915	336 350
Tax liabilities	-	-	475
Employee benefit provisions	8 568	6 407	12 042
Other provisions	1 477	1 514	2 507
Other liabilities and equity	1 612	1 746	1 448
<b>Total liabilities and provisions</b>	<b>960 145</b>	<b>971 312</b>	<b>1 001 621</b>
<b>Total equity and liabilities</b>	<b>1 939 746</b>	<b>1 945 104</b>	<b>2 219 774</b>


**Boryszew S.A.**

Abbreviated interim financial statements for the period between 1 January and 31 March 2025  
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(amounts expressed in PLN '000 unless specified otherwise)

**CASH FLOW STATEMENT**

	01.01.2025 - 31.03.2025	01.01.2024 - 31.03.2024
<b>Cash flows from operating activities</b>		
<b>Profit before taxation</b>	<b>8 159</b>	<b>10 405</b>
<b>Adjustments for</b>	<b>(8 308)</b>	<b>(31 113)</b>
Amortisation/depreciation	10 736	10 783
Profit/loss on financial activity (including interest on financial liabilities)	4 600	8 491
Profit / loss on investment activities	(3 739)	(12 252)
Change in receivables	(6 386)	(68 174)
Change in inventories	2 686	18 116
Change in liabilities	(12 050)	10 523
Movement in provisions	(2 893)	821
Other items	81	745
Income tax paid	(1 343)	(166)
<b>Net cash from operating activities</b>	<b>(149)</b>	<b>(20 708)</b>
<b>Cash flows from investment activities</b>		
Proceeds from disposal of fixed assets	5 963	3
Proceeds from repayment of loans granted	3 278	23 214
Other proceeds from investment activities	54	-
Expenses on acquisition of fixed assets	(1 142)	(2 375)
Long term borrowings granted	(5 141)	(15 797)
<b>Net cash from investing activities</b>	<b>3 012</b>	<b>5 045</b>
<b>Cash flows from financial activities</b>		
Incomes on credit and loan facilities	21 624	48 929
Loans received	-	9 965
Loans repaid	(5 838)	(39 132)
Repayment of borrowings	(12 610)	(1 623)
Interest paid on loans, borrowings and leasing	(6 256)	(8 251)
Payment of liabilities arising from financial lease agreements	(3 857)	(5 008)
Other financial expenditure	(13)	(16)
<b>Net cash from financing activities</b>	<b>(6 950)</b>	<b>4 864</b>
<b>Net change in cash</b>	<b>(4 087)</b>	<b>(10 799)</b>
Cash opening balance	12 396	24 811
<b>Cash closing balance</b>	<b>8 309</b>	<b>14 012</b>
<i>Restricted cash</i>	<i>1 367</i>	<i>1 468</i>



**Boryszew S.A.**

Abbreviated interim financial statements for the period between 1 January and 31 March 2025 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
<b>Balance on 01.01.2025</b>	<b>248 906</b>	<b>112 346</b>	<b>(182 816)</b>	<b>-</b>	<b>56</b>	<b>-</b>	<b>795 300</b>	<b>973 792</b>
Profit/loss for Q1 '2025							5 809	<b>5 809</b>
<b>Total income for Q1 2025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 809</b>	<b>5 809</b>
<b>Balance on 31.03.2025</b>	<b>248 906</b>	<b>112 346</b>	<b>(182 816)</b>	<b>-</b>	<b>56</b>	<b>-</b>	<b>801 109</b>	<b>979 601</b>

	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
<b>Balance on 01.01.2024</b>	<b>248 906</b>	<b>112 346</b>	<b>(182 816)</b>	<b>(27)</b>	<b>(349)</b>	<b>3 433</b>	<b>1 029 555</b>	<b>1 211 048</b>
Valuation of hedge instruments				27				<b>27</b>
Valuation of employee benefits					405			<b>405</b>
Profit/loss for 2024							(147 398)	<b>(147 398)</b>
<b>Total comprehensive income for 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>405</b>	<b>-</b>	<b>(147 398)</b>	<b>(146 966)</b>
Transfer to reserve capital of profit on disposal of equity instruments						(3 433)	3 433	<b>-</b>
Dividends paid							(90 290)	<b>(90 290)</b>
<b>Balance on 31.12.2024</b>	<b>248 906</b>	<b>112 346</b>	<b>(182 816)</b>	<b>-</b>	<b>56</b>	<b>-</b>	<b>795 300</b>	<b>973 792</b>

	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
<b>Balance on 01.01.2024</b>	<b>248 906</b>	<b>112 346</b>	<b>(182 816)</b>	<b>(27)</b>	<b>(349)</b>	<b>3 433</b>	<b>1 029 555</b>	<b>1 211 048</b>
Valuation of hedge instruments				18				<b>18</b>
Profit/loss for Q1 '2024							7 087	<b>7 087</b>
<b>Total revenue for Q1 '2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>7 087</b>	<b>7 105</b>
<b>Balance on 31.03.2024</b>	<b>248 906</b>	<b>112 346</b>	<b>(182 816)</b>	<b>(9)</b>	<b>(349)</b>	<b>3 433</b>	<b>1 036 642</b>	<b>1 218 153</b>

## ADDITIONAL INFORMATION

### TO THE ABBREVIATED MID-YEAR FINANCIAL STATEMENTS OF BORYSZEW S.A. FOR THE FIRST QUARTER OF 2025

#### 1. Statement by the Management Board on compliance of accounting principles

The Management Board for Boryszew S.A.: Wojciech Kowalczyk, Łukasz Bubacz, Adam Holewa, Maciej Korniluk represent that to the best of their knowledge the consolidated financial statements for Q1 '2025 and comparative data covering separate financial statements of Boryszew S.A. have been compiled in accordance with the binding accounting principles and that the financial statements truly, reliably and clearly reflect the actual and financial condition as well as the financial result of Boryszew S.A.

#### 2. Accounting principles applied

The information contained in the financial statements for the first three months of 2025 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 2024, published on 17 April 2025.

	Average EUR exchange rate in the period	EURO exchange rate as at the last day of period
01.01 – 31.03.2024	4.3211	4.3009
01.01 - 31.12.2024	4.3042	4.2730
01.01 – 31.03.2025	4.1848	4.1839

## ACCOUNTING PRINCIPLES

Accounting principles (policy) of applied when drafting these quarterly separate financial statements for the period of 3 months ended on 31 March 2025 are consistent with those applied when drafting annual separate financial statements for the financial year ended on 31 December 2024.

### 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 2024, made public on 17 April 2025.

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 31 March 2025. 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:

- **Amendments to IAS 1** *Presentation of Financial Statements – Separation of liabilities into current and non-current and Separation of liabilities into current and non-current – deferral of effective date and Non-current liabilities containing covenants*. The amendment to IAS 1 was published on 23 January 2020, subsequently modified in July 2020 and finally adopted on 31 October 2022.

- **Amendment to IAS 12** *Income Taxes: International tax reform - model principles of Pillar II (global minimum tax)*

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. Companies can apply the exemption immediately, but disclosure requirements are required for annual periods beginning on or after 1 January 2023. The amendment was published on 23 May 2023.

The Company, as the parent company of Boryszew Group, falls under Pillar II of the OECD Model Rules.

The Pillar II regulations have been in effect in Poland since January 2025.

The Company applied the mandatory exception for the recognition and disclosure of deferred tax assets and liabilities related to income taxes under Pillar II, in accordance with amendments to IAS 12 issued in May 2023. The above standards and amendments have no impact on these financial statements.

In accordance with par. 4A of IAS 12, the Company does not recognise deferred tax assets and liabilities related to Pillar II income taxes and does not disclose information about these assets and liabilities.

On the date of this report, the Company is unable to reasonably estimate the total amount of the additional tax burden resulting from the implementation of Pillar II rules starting in 2025. The Company keeps monitoring the regulatory situation and conducting further assessments to determine the potential impact of the new regulations on its future tax liabilities, the entity responsible for preparing the reconciliation is the parent company, Boryszew S.A. Boryszew Group will benefit from a "safe harbor" based on CBCR reports for 2025 and 2026.

- **Amendments to IFRS 16** *Leases: Lease liability in sale and leaseback transaction* published on 22 September 2022.

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 IAS 7** *Statement of Cash Flows* and **IFRS 7: Financial instruments: Disclosure: Supplier finance agreements published on 25 May 2023.**

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.

#### **New standards and interpretations and amendments to standards or interpretations that are not yet effective and have not been earlier applied.**

The Company did not chose to early implement, in these financial statements, published standards or interpretations before their effective date.

The following standards and interpretations have been issued by the International Accounting Standards Committee or the International Financial Reporting Interpretations Committee, but have not yet come into effect as at the balance sheet day:

- **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 entities 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* (published on 15 August 2023) - not approved by the EU until the date of approval of these financial statements – applicable for annual periods beginning on or after 1 January 2025.
- **IFRS 18** *Presentation and Disclosures in Financial Statements* (published on 9 April 2024) – not approved by the EU until the date of approval of these financial statements – applicable for annual periods beginning on or after 1 January 2027.
- **IFRS 19** *Subsidiaries without public accountability: Disclosure* (effective for annual periods beginning on or after 1 January 2027).

IFRS 19 standard "Subsidiaries without public accountability: Disclosure" permits limited disclosures by subsidiaries when applying IFRS in their financial statements. IFRS 19 is optional for qualifying subsidiaries and specifies disclosure requirements for subsidiaries that choose to apply it. The new standard is effective for reporting periods beginning on or after 1 January 2027, with early adoption permitted.

- **Amendments to IFRS9 and IFRS7** Amendments to classification and measurement of financial instruments (effective for annual periods beginning on or after 1 January 2026).  
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.
- **Amendments to IFRS and IAS (Volume 11)** resulting from the annual review, issued 18 July 2024. The amendments are intended to clarify the wording used in the standards, in order to improve their readability, consistency and eliminate any ambiguities. The amendments introduced following of the abovementioned review involve **IAS 1** "First-time adoption of international financial reporting standards", **IFRS 7** "Financial instruments: Disclosures", **IFRS 9** "Financial instruments", **IFRS 10** "Consolidated financial statements" **IAS 7** "Statement of cash flows" The changes will take effect on 1 January 2026.
- **Amendments to IFRS 9 and IFRS 7** Contracts referencing nature-dependent electricity published on 18 December 2024.  
The changes to the standards are intended to facilitate reporting financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs). Amendments include: clarification of the application of "own-use" requirements, permitting hedge accounting if these contracts are used as hedging instruments, and adding new disclosure requirements to enable investors to understand the impact of these contracts on a company's financial results and cash flows.

## RESTATEMENT OF COMPARABLE DATA AND CORRECTION OF ERRORS OF PREVIOUS YEARS

The Company changed the presentation of comparable data in this quarterly Financial Report for the purpose of separating new business segments. A new Energy segment is now separated to include the Energy branch, which was previously presented as Other non-allocated.

### 3. Off-balance-sheet liabilities

Contingent items	Balance on 31.03.2025	Balance on 31.12.2024	change
Sureties for the repayment of loans and other liabilities by associated companies	475 959	509 758	(33 799)
<b>Total</b>	<b>475 959</b>	<b>509 758</b>	<b>(33 799)</b>

Contingent items	Balance on 31.03.2025	Balance on 31.12.2024	change
<b>Contingent liabilities</b>	<b>475 959</b>	<b>509 758</b>	<b>(33 799)</b>
<b>resulting from granted guarantees, sureties and other liabilities</b>	<b>475 959</b>	<b>509 758</b>	<b>(33 799)</b>
- guarantees and sureties associated with performance of contracts	103 615	133 538	(29 923)
- guarantees and sureties in favour of financial institutions	372 344	376 220	(3 876)
<b>Increases / decreases in the period of 3 months ended on 31.03.2025, including:</b>			<b>(33 799)</b>
<b>Additions</b>			<b>38 822</b>
- Increase due to valuation of sureties			-
- Increase in surety amount			38 822
<b>Reductions</b>			<b>(72 621)</b>
- Reduction due to valuation of sureties			(5 593)
- Decrease in the amount of existing sureties due to expiration, reduction			(67 028)



The increase in the value of warranties issued is mainly due to issuing new guarantees to: Trafigura II PTE. LTD (PLN 12.6 million), Boliden (PLN 4.2 million) for ZM Silesia trade liabilities, and a surety for BNP Paribas (PLN 18.2 million) for ZM Silesia liabilities; an increase in the promissory note surety granted to Millennium (up to PLN 16.9 million) for NPA Skawina Sp. z o.o.; an increase in the guarantee granted to BGK (up to PLN 16.8 million) for Maflow Components (Dalian) Co. Ltd. and an increase in the guarantee provided to HSBC Factoring (France) for Maflow Plastics Poland Sp. z o.o (up to PLN 4.2 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 4.3 million), expiry of surety for Coface Poland Factoring Sp. z o.o. (PLN 10.4 million) for Alchemia S.A., and reductions in guarantees for BNP Paribas S.A. (PLN 21.5 million) for the Maflow Group.

**Status of current warranties and guarantees as at 31.03.2025.**

Entity on whose behalf the surety or guarantee was issued	Entity for which guarantee or surety was issued	Value of guarantee	Expiry date of guarantee
<b>Boryszew Oberflächentechnik Deutschland GmbH in bankruptcy under self-administration</b>	Guarantee granted to Investitionsbank des Landes Brandenburg	20 970	16.01.2026
<b>Maflow Plastics Poland Sp. z o.o.</b>	Guarantee granted to HSBC Continental Europe Branch in Poland	2 695	31.01.2026
	Guarantee granted to Basell Sales & Marketing Company B.V.	1 674	31.12.2025
	Guarantee granted to HSBC Factoring (France)	4 222	31.12.2033
<b>AKT plastikářská technologie Čechy Spol. s.r.o.</b>	Guarantee granted to Basell Sales & Marketing Company B.V.	2 929	31.12.2025
<b>Maflow BRS s.r.l.</b>	Guarantee granted to Intesa Bank	8 799	30.11.2026
	Guarantee granted to HSBC Continental Europe Italy	20 920	05.02.2034
<b>MAFMEX S. de R.L. de C.V.</b>	Mafmex's performance bond for AB Volvo	20 920	term of the agreement
	Mafmex's rent payment bond to Innova Dintel	11 519	30.06.2030
	BMW AG performance bond	25 103	contract period + 15 years
	Guarantee granted to BNP Paribas S.A.	52 871	30.06.2031
	Guarantee granted to HSBC Mexico S.A.	19 322	22.11.2032
<b>ZM SILESIA S.A.</b>	Surety granted to PKO BP S.A.	9 800	31.08.2027
	Endorsement for Coface Poland Factoring Sp. z o.o.	35 739	indefinite validity
	Lease surety for Volkswagen Financial Services Polska Sp. z o.o.	31	15.09.2026
	Lease surety for Volkswagen Financial Services Polska Sp. z o.o.	10	31.05.2025
	Surety granted to Bank Millennium S.A.	14 000	28.05.2027
	Surety granted to Huta Cynku	15 000	31.03.2025
	Surety granted to Alior Bank	5 000	04.08.2028
	Guarantee granted to Trafigura II PTE. LTD.	12 552	31.12.2025
	Surety granted to BNP Paribas (treasury limit)	18 150	31.07.2028
	Guarantee granted to Boliden	4 184	31.12.2025
<b>Maflow Components (Dalian) Co. Ltd.</b>	Guarantee granted to HSBC Bank (China) Company Limited	15 984	16.01.2026
	Guarantee provided to Bank Gospodarstwa Krajowego	16 834	30.06.2030
	Guarantee provided to Bank Gospodarstwa Krajowego	7 729	27.03.2026
	BMW AG performance bond	25 103	contract period + 15 years
<b>Boryszew Maflow Sp. z o.o.</b>	Guarantee granted to BNP Paribas S.A.	53 729	30.06.2031
	Guarantee granted to BNP Paribas S.A.	15 899	28.06.2026
<b>NPA Sp. z o.o.</b>	Endorsement for Coface Poland Factoring Sp. z o.o.	10 524	indefinite validity

Entity on whose behalf the surety or guarantee was issued	Entity for which guarantee or surety was issued	Value of guarantee	Expiry date of guarantee
	Promissory note surety to Bank Millennium S.A.	16 907	indefinite validity
<b>Major Sp. z o.o.</b>	Guarantee provided to Major Sp. z o.o. (under a guarantee line with HSBC)	1 046	30.06.2025
<b>Boryszew Assets Sp. z o.o.</b>	Endorsement of lease agreement for PEKAO Leasing Sp. z o.o.	5 794	15.08.2029
<b>Total guarantees and sureties granted by Boryszew S.A.</b>		<b>475 959</b>	

**Status of current sureties as at 31.12.2024**

Entity on whose behalf the surety or guarantee was issued	Entity for which guarantee or surety was issued	Value of guarantee	Expiry date of guarantee
<b>Maflow Plastics Poland Sp. z o.o.</b>	Guarantee granted to HSBC Continental Europe Branch in Poland	2 753	31.01.2026
	Endorsement of lease agreement for mLeasing	13	10.01.2025
	Endorsement of lease agreement for mLeasing	7	10.01.2025
	Endorsement of lease agreement for mLeasing	31	15.02.2025
	Endorsement of lease agreement for mLeasing	24	15.02.2025
	Guarantee granted to HSBC Factoring (France)	1 318	31.12.2033
<b>1) Maflow Plastics Poland Sp. z o.o. 2) Boryszew Kunststofftechnik Deutschland GmbH 3) AKT Plastikarska Technologie Czechy Spol. S.R.O.</b>	Guarantee granted to Basell Sales & Marketing Company B.V.	8 546	31.12.2024
<b>Boryszew Kunststofftechnik Deutschland GmbH</b>	Guarantee granted to Elix Polymers S.L.	1 624	31.12.2024
	Guarantee granted to Scholt Energy Control GmbH (under the Guarantee Line at HSBC)	3 205	31.12.2024
<b>Maflow BRS s.r.l.</b>	Guarantee granted to Intesa Bank	10 323	30.11.2026
	Guarantee granted to HSBC Continental Europe Italy	21 365	05.02.2034
<b>Boryszew Oberflächentechnik Deutschland GmbH</b>	Guarantee granted to Investitionsbank des Landes Brandenburg	21 417	16.01.2026
<b>MAFMEX S. de R.L. de C.V.</b>	Maflow's performance bond for AB Volvo	21 365	term of the agreement
	Maflow's rent payment bond to Innova Dintel	12 225	30.06.2030
	BMW AG performance bond	25 638	contract performance period +15 years
	Guarantee granted to BNP Paribas S.A.	64 744	30.06.2031
	Guarantee granted to HSBC Mexico S.A.	20 506	22.11.2032
<b>ZM Silesia S.A.</b>	Surety granted to PKO BP S.A.	9 800	31.08.2027
	Endorsement for Coface Poland Factoring	35 739	indefinite validity
	Lease surety for Volkswagen Financial Services Polska	31	indefinite validity
	Lease surety for Volkswagen Financial Services Polska	10	31.05.2025
	Surety granted to Bank Millennium	14 000	28.05.2027

Entity on whose behalf the surety or guarantee was issued	Entity for which guarantee or surety was issued	Value of guarantee	Expiry date of guarantee
	Surety granted to Huta Cynku	15 000	31.03.2025
	Guarantee granted to Glencore International AG	19 229	30.03.2025
	Surety granted to Alior Bank	5 000	04.08.2028
<b>Maflow Components (Dalian) Co. Ltd.</b>	Guarantee granted to HSBC Bank (China) Company Limited	16 863	18.01.2025
	BMW AG performance bond	25 638	contract performance period +15 years
	Guarantee provided to Bank Gospodarstwa Krajowego	17 456	30.06.2030
	Guarantee provided to Bank Gospodarstwa Krajowego	8 546	27.03.2026
<b>Boryszew Maflow Sp. z o.o.</b>	Guarantee provided to BNP Paribas	63 316	30.06.2031
	Guarantee provided to BNP Paribas	16 237	28.06.2026
<b>NPA Sp. z o.o.</b>	Endorsement for Coface Poland Factoring	10 275	indefinite validity
	Guarantee granted to Trafigura II PTE. LTD.	4 273	30.01.2025
	Endorsement for Millennium	15 253	indefinite validity
<b>Alchemia S.A.</b>	Endorsement for Coface Poland Factoring	10 712	indefinite validity
<b>Boryszew Assets Spółka z o.o.</b>	Endorsement of lease agreement for PEKAO Leasing Sp. z o.o.	6 208	15.08.2029
<b>Major Sp. z o.o.</b>	Guarantee provided to Major Sp. z o.o. (under a guarantee line with HSBC)	1 068	30.06.2025
<b>Total guarantees and sureties granted by Boryszew S.A.</b>		<b>509 758</b>	

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

On 24 April 2025, the Management Board of Boryszew S.A. made a decision to submit to the next General Meeting of Boryszew S.A. a motion to pay a dividend in the amount of PLN 0.35 per share entitled to dividend, or in the total amount of PLN 71 821 750, from the Company's supplementary capital, which, according to the provisions of art. 348 § 1 of the commercial companies code may be assigned for distribution.

In the motion, the Management Board of Boryszew S.A. proposed:

- dividend date: 28 May 2025.
- dividend payment date: 4 June 2025.

The proposed amount of dividend to be distributed to shareholders is in line with the Company's published, via current report No. 21/2022 of 9 May 2022, dividend policy, and moreover, the payment of dividend in the amount proposed by the Management Board will not jeopardise the achievement of the Group's strategic goals. Under art. 364 § 2 of the Commercial Companies Code, the Company does not exercise participation rights from own shares, except for the right to sell them or perform actions aiming at preservation of these rights. The Company's own shares are not eligible for dividends. On the date of publication of this report, the Company holds 34 795 000 own shares.

On 24 April 2025 the Company's Supervisory Board approved the Management Board's proposal.

The final decision on the payment of dividends will be made by the General Meeting of Boryszew S.A., convened for 21 May 2025.



**Boryszew S.A.**

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(amounts expressed in PLN '000 unless specified otherwise)

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

### **NON-EQUITY SECURITIES**

The Company issued no non-equity securities in Q1 2025 and up to the date of the report.

### **REDEMPTION OF BONDS ISSUED BY BORYSZEW S.A.**

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

### **EQUITY SECURITIES**

In Q1 '2025, until publication of the report the Company did not issue any equity securities.

### **CAPITAL INVESTMENTS**

In Q1 2025 the Company made no significant capital investments.



# Boryszew S.A.

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(amounts expressed in PLN '000 unless specified otherwise)

## 6. Operating segments

	Chemical products	Automotive	Energy	Other non-allocated	Total	exclusions between segments	Total
<b>01.01.2025 - 31.03.2025</b>							
Revenues from sales	36 840	201 401	223 041	2 982	464 264	(111)	464 153
Segment costs of sales	30 862	179 338	217 076	206	427 482	(111)	427 371
<b>Result on sales within segment</b>	<b>5 978</b>	<b>22 063</b>	<b>5 965</b>	<b>2 776</b>	<b>36 782</b>	<b>-</b>	<b>36 782</b>
General, administrative and sales expenses	7 065	14 758	1 147	4 990	27 960	-	27 960
Other operating profit/loss	5 733	359	6 726	(1 655)	11 163	-	11 163
<b>Segment profit/loss</b>	<b>4 646</b>	<b>7 664</b>	<b>11 544</b>	<b>(3 869)</b>	<b>19 985</b>	<b>-</b>	<b>19 985</b>
Amortisation/depreciation	1 060	9 240	22	414	10 736	-	10 736
EBITDA *)	5 706	16 904	11 566	(3 455)	30 721	-	30 721
Segment assets	130 725	787 853	139 806	1 108 446	2 166 830	(227 084)	1 939 746
Segment liabilities	95 363	692 291	122 595	276 980	1 187 229	(227 084)	960 145
<b>01.01.2024 - 31.03.2024</b>							
Revenues from sales	41 198	211 370	211 943	2 786	467 297	(493)	466 804
Segment costs of sales	33 502	192 042	207 938	101	433 583	(477)	433 106
<b>Result on sales within segment</b>	<b>7 696</b>	<b>19 328</b>	<b>4 005</b>	<b>2 685</b>	<b>33 714</b>	<b>(16)</b>	<b>33 698</b>
General, administrative and sales expenses	7 915	15 271	1 401	4 322	28 909	(16)	28 893
Other operating profit/loss	24	6 556	365	10 608	17 553	-	17 553
<b>Segment profit/loss</b>	<b>(195)</b>	<b>10 613</b>	<b>2 969</b>	<b>8 971</b>	<b>22 358</b>	<b>-</b>	<b>22 358</b>
Amortisation/depreciation	1 450	8 909	22	402	10 783	-	10 783
EBITDA *)	1 255	19 522	2 991	9 373	33 141	-	33 141
Segment assets	181 671	806 025	128 922	1 236 724	2 353 342	(133 568)	2 219 774
Segment liabilities	105 384	706 172	124 467	199 166	1 135 189	(133 568)	1 001 621

\*) EBITDA = operating profit less depreciation expense



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REVENUES FROM SALE BY DESTINATION MARKET	01.01.2025 - 31.03.2025	01.01.2024 - 31.03.2024
<b>Continuing operations</b>		
Domestic sales	266 119	259 681
Sales to EU countries	163 077	167 703
Sales to other European countries	13 600	16 647
Export outside Europe	21 357	22 773
<b>Total (revenues from continuing operations)</b>	<b>464 153</b>	<b>466 804</b>

SHARE OF EU MEMBER STATES IN INTRA-COMMUNITY SALES	01.01.2025 - 31.03.2025	01.01.2024 - 31.03.2024
Germany	45%	34%
Czech Republic	11%	8%
Belgium	9%	11%
Sweden	9%	10%
France	7%	10%
The Netherlands	6%	5%
Italy	5%	5%

## 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 Chemicals Segment, seasonality affects only some products manufactured by Boryszew S.A. Boryszew ERG Branch in Sochaczew and is not at a significant level. It applies mainly to cooling fluids for the automotive segment (with peak demand in the third and fourth quarter, shifting to the beginning of the first quarter), de-icing fluids for runways and aircraft (with peak demand in the fourth and first quarter). PWC siding and EPS decorative components follow the seasonality of the construction industry, showing peak demand in second and third quarter. No specific seasonality is observed for other products of Boryszew S.A.

## 8. Financial instruments, fair value, estimated data

Financial assets per balance sheet on 31.03.2025

	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
Listed shares	-	-	23 837	-	23 837
Trade receivables, factoring	305 461	203	-	-	305 664
Loans granted	186 594	-	-	-	186 594
Other debtors	-	57 324	-	-	57 324
Cash and cash equivalents	8 309	-	-	-	8 309
<b>Total</b>	<b>500 364</b>	<b>57 527</b>	<b>23 837</b>	<b>-</b>	<b>581 728</b>



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**Financial assets per balance sheet on 31.12.2024**

	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
Listed shares	-	-	23 837	-	23 837
Trade receivables, factoring	302 186	3 917	-	-	306 103
Loans granted	188 359	-	-	-	188 359
Other debtors	-	55 250	-	-	55 250
Cash and cash equivalents	12 396	-	-	-	12 396
<b>Total</b>	<b>502 941</b>	<b>59 167</b>	<b>23 837</b>	<b>-</b>	<b>585 945</b>

**Financial liabilities on 31.03.2025**

	Financial liabilities measured at amortised cost	Derivatives used for hedges	Carrying value
Bank loans, factoring, borrowings	478 439	-	478 439
Lease liabilities	24 625	-	24 625
Right-of-use liabilities	62 546	-	62 546
Trade and other liabilities (excluding towards state budget and employees)	265 811	-	265 811
<b>Total</b>	<b>831 421</b>	<b>-</b>	<b>831 421</b>

**Financial liabilities per balance sheet on 31.12.2024**

	Financial liabilities measured at amortised cost	Derivatives used for hedges	Carrying value
Bank loans, factoring, borrowings	475 843	-	475 843
Lease liabilities	26 325	-	26 325
Right-of-use liabilities	64 065	-	64 065
Trade and other liabilities	281 600	-	281 600
<b>Total</b>	<b>847 833</b>	<b>-</b>	<b>847 833</b>

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

	Fair value as at		Hierarchy of fair value
	Balance on 31.03.2025	Balance on 31.12.2024	
<b>Financial assets</b>			
Derivative financial instruments	-	-	Level 2
<b>Financial obligations</b>			
Derivative financial instruments	-	-	Level 2



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

	Fair value as at		Hierarchy
	Balance on 31.03.2025	Balance on 31.12.2024	of fair value
<b>Financial assets</b>			
Shares and stock	23 837	23 837	Level 3
Borrowings	186 594	188 359	Level 3
Trade and other receivables	362 988	361 353	Level 3
Cash and cash equivalents	8 309	12 396	Level 1
<b>Financial obligations</b>			
Borrowings and loans	478 439	475 843	Level 2
Trade and other liabilities	265 811	281 600	Level 3
Lease liabilities	24 625	26 325	Level 2
Right-of-use liabilities	62 546	64 065	Level 2

**Effect on the result of asset write-offs**

	01.01.2025 - 31.03.2025	01.01.2024 - 31.03.2024
<b>Impact of write-offs on assets and provisions on profit/loss</b>		
Creation of value impairment write-offs for accounts receivable	(1 323)	(1 567)
Reversal of write-downs on accounts receivable (-)	7 126	6 806
Revaluation write-offs of loan receivables	(9 736)	(10 736)
Reversal of revaluation write-offs on loans granted	1 081	-
Creation of value impairment write-offs on bonds	(1 243)	(1 264)
Reversal of value impairment write-offs on bonds	-	-
Creation of value impairment write-offs on other receivables	(148)	(155)
Reversal of value impairment write-offs on other receivables	-	2 309
Creation of value impairment write-offs for inventories	(177)	(349)
Value impairment write-offs for inventories	1 070	109
<b>Total impact on profit/loss</b>	<b>(3 350)</b>	<b>(4 847)</b>

**Valuation to fair value of investment properties**

	01.01.2025 - 31.03.2025	01.01.2024 - 31.03.2024
Valuation to fair value of investment properties	-	12 245



(amounts expressed in PLN '000 unless specified otherwise)

### Provision for employee benefits

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
<b>Balance on 01.01.2025</b>	<b>2 770</b>	<b>325</b>	<b>240</b>	<b>5 573</b>	<b>219</b>	<b>9 127</b>
<b>Movement:</b>	<b>(14)</b>	<b>-</b>	<b>-</b>	<b>2 175</b>	<b>-</b>	<b>2 161</b>
<i>Current employment costs</i>	-	-	-	2 188	-	2 188
<i>Benefits paid</i>	(14)	-	-	(13)	-	(27)
<b>Balance on 31.03.2025</b>	<b>2 756</b>	<b>325</b>	<b>240</b>	<b>7 748</b>	<b>219</b>	<b>11 288</b>
<b>Change</b>	<b>(14)</b>	<b>-</b>	<b>-</b>	<b>2 175</b>	<b>-</b>	<b>2 161</b>
<i>change recognised in P&amp;L (- cost, + decrease in cost)</i>	(14)	-	-	2 175	-	2 161
<i>Change included in equity (gain+/lose-)</i>	-	-	-	-	-	-
<i>long-term provisions</i>	2 720					
<i>short-term provisions</i>	8 568					

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
<b>Balance on 01.01.2024</b>	<b>2 948</b>	<b>392</b>	<b>287</b>	<b>6 419</b>	<b>2 608</b>	<b>12 654</b>
<b>Movement:</b>	<b>(178)</b>	<b>(67)</b>	<b>(47)</b>	<b>(846)</b>	<b>(2 389)</b>	<b>(3 527)</b>
<i>Interest expense</i>	129	16	12	10	-	167
<i>Current employment costs</i>	276	54	14	(856)	(500)	(1 012)
<i>Benefits paid</i>	(228)	(15)	-	-	(1 889)	(2 132)
<i>Actuarial gains and losses - demographic changes</i>	(104)	(55)	(60)	-	-	(219)
<i>Actuarial gains and losses - financial changes</i>	(251)	(67)	(13)	-	-	(331)
<b>Balance on 31.12.2024</b>	<b>2 770</b>	<b>325</b>	<b>240</b>	<b>5 573</b>	<b>219</b>	<b>9 127</b>
<b>Change</b>	<b>(178)</b>	<b>(67)</b>	<b>(47)</b>	<b>(846)</b>	<b>(2 389)</b>	<b>(3 527)</b>
<i>change recognised in P&amp;L (- cost, + decrease in cost)</i>	177	55	26	(846)	(2 389)	(2 977)
<i>Change included in equity (gain+/lose-)</i>	(355)	(122)	(73)	-	-	(550)
<i>long-term provisions</i>	2 720					
<i>short-term provisions</i>	6 407					

### Other Reserves Status Change

Movements in provisions	Balance on 01.01.2025	creation of provision	provisions used during the year	reversal of unnecessary provisions	Separation of division/merger of units	Balance on 31.03.2025
Provisions for liquidation of fixed assets	886	-	-	-	-	886
Provision for tax risks and fiscal claims	20 349	-	-	-	-	20 349
Provisions for warranty repairs, complaints	7 113	-	-	(106)	-	7 007
Provision for customer claims	2 934	114	(45)	-	-	3 003
Provisions for court proceedings	2 833	-	-	-	-	2 833
<b>Total</b>	<b>34 115</b>	<b>114</b>	<b>(45)</b>	<b>(106)</b>	<b>-</b>	<b>34 078</b>
<i>Long-term provisions</i>	32 601					32 601
<i>Short-term provisions</i>	1 514					1 477



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Movements in provisions	Balance on 01.01.2024	creation of provision	provisions used during the year	reversal of unnecessary provisions	Separation of division/merger of units	Balance on 31.12.2024
Provisions for liquidation of fixed assets	953	-	(67)	-	-	886
Provision for tax risks and fiscal claims	20 349	-	-	-	-	20 349
Provisions for warranty repairs, complaints	5 843	1 270	-	-	-	7 113
Provision for customer claims	4 284	45	(1 325)	(70)	-	2 934
Provisions for court proceedings	2 833	-	-	-	-	2 833
<b>Total</b>	<b>34 262</b>	<b>1 315</b>	<b>(1 392)</b>	<b>(70)</b>	<b>-</b>	<b>34 115</b>
<i>Long-term provisions</i>	31 916					32 601
<i>Short-term provisions</i>	2 346					1 514

## 9. Transactions with affiliated entities

	Subsidiaries	Personally related entities
<b>in the period 01.01.2025 - 31.03.2025</b>		
Revenues from sales (of products, services, goods)	76 472	1 898
Interest income	11 023	-
Purchases (of materials, goods, services)	28 427	202
Interest expense	2 994	-
<b>balance on 31.03.2025</b>		
Trade receivables	173 641	1 241
Loans granted	186 594	-
Other receivables (advances, deposits)	28 492	-
Trade liabilities	62 130	77
Loans received	142 064	-
Other liabilities (advances, deposits)	65	-

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

## **10. Additional information**

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

As at 31 March 2025 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.

At the same time, the ongoing talks between the US and Ukraine, the US and the Russian Federation, the European Union and Ukraine on the conditions for ending the war are an important part of Poland's current geopolitical environment. The outcome of these talks will be important both for Poland's security and the economic situation as well as the direction of industrial development and investment.

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 and the current situation 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 initially unstable 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. This in particular becomes relevant in the context of the current geopolitical situation, the development of Europe's defense capabilities and the investment in Shield East.

In Q1 '2025 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.

### **MATERIAL PROCEEDINGS BEFORE A COURT, ARBITRATION BODY OR PUBLIC ADMINISTRATION AUTHORITY**

Significant pending proceedings concerning Boryszew S.A. are described in point 18 of this report.



## **MANAGEMENT BOARD'S APPROVAL**

These abbreviated interim quarterly consolidated financial statements of Boryszew Group for the period of 3 months ended 31 March 2025 and abbreviated interim financial statements of Boryszew S.A. for the period of 3 months ended 31 March 2025 were approved for publication by the Management Board of Boryszew S.A. on 14 May 2025.

### **SIGNATURES:**

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

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

Adam Holewa - Member of the Management Board -----

Maciej Korniluk - Member of the Management Board -----

Radosław Szorc - Chief Financial Officer -----

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