WIELTON CAPITAL GROUP

Consolidated financial statements
for the period from 1 January 2024 to 31 December 2024

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

	Note	31.12.2024	31.12.2023
Fixed assets			
Goodwill	9.1.1.	63,987	63,987
Intangible assets	9.1.2.	226,591	184,053
Tangible fixed assets	9.1.3.	669,887	636,587
Investment properties	9.2.	126	1,010
Long-term receivables	9.3.1.	2,217	680
Other long-term financial assets	9.4.	12,938	9,959
Assets due to deferred income tax	7.8.2.	13,038	12,186
Total non-current assets		**988,784**	**908,462**
Current assets			
Inventories	9.5.	398,374	466,312
Receivables due to deliveries and services and other receivables	9.3.2.	399,043	527,636
Receivables due to current income tax		1,025	1,598
Derivative financial instruments	9.7.	-	
Other short-term financial assets	9.4.	8,716	7,778
Cash and cash equivalents	9.8.	78,909	90,568
Current assets excluding assets held for sale		**886,067**	**1,093,892**
Current assets total		**886,067**	**1,093,892**
TOTAL ASSETS		**1,874,851**	**2,002,354**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

Equity and liabilities

	Note	31.12.2024	31.12.2023
Equity capital			
Share capital	9.10.1.	12,075	12,075
Own shares (-)		-	-
Capital on sale of shares over their nominal value	9.10.3.	72,368	72,368
Other capitals	9.10.3.	-40,881	-42,053
Retained earnings		435,198	577,082
- profit (loss) brought forward		577,082	471,217
- net profit (loss) attributable to shareholders of the parent company		-141,884	105,865
Equity capital for the shareholders of the dominating entity		**478,760**	**619,472**
Non-controlling interest	9.10.5.	2,394	7,833
Total equity		**481,154**	**627,305**
Long-term liabilities			
Credits, loans and other debt securities	9.11.1.	48,096	142,131
Lease	9.11.1.3.	88,430	49,989
Derivative financial instruments	9.7.		
Liabilities due to deliveries and services and other liabilities	9.11.2.1.	61,206	41,780
Reserve due to deferred income tax	7.8.2.	24,212	26,931
Liabilities and reserve due to employee benefits	9.13.	8,353	7,587
Other long-term reserves	9.14.	86	162
Long-term liabilities total		**230,383**	**268,580**
Short-term liabilities			
Liabilities due to deliveries and services and other liabilities	9.11.2.2.	505,630	665,847
Current income tax liabilities		11,093	20,985
Credits, loans and other debt securities	9.11.1.	533,477	311,541
Lease	9.11.1.3.	21,968	19,253
Derivative financial instruments	9.7.	-	
Liabilities and reserve due to employee benefits	9.13.	53,248	56,528
Other short-term reserves	9.14.	37,898	32,315
Current liabilities excluding assets held for sale		**1,163,314**	**1,106,469**
Short-term liabilities total		**1,163,314**	**1,106,469**
Total liabilities		**1,393,697**	**1,375,049**
LIABILITIES AND EQUITY TOTAL		**1,874,851**	**2,002,354**

CONSOLIDATED INCOME STATEMENT

	Note	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Continuing operations			
Revenue from sales	7.1.	2,104,751	3,225,223
Own cost of sales	7.2.	1,908,637	2,793,512
Gross profit (loss) on sales		**196,114**	**431,711**
Cost of sales	7.2.	160,985	159,978
General management costs	7.2.	148,922	146,853
Other operating revenues	7.4.	19,018	30,040
Other operating expenses	7.5.	9,595	25,006
Profit on bargain purchase			
Profit (loss) on operating activities		**-104,370**	**129,914**
Financial revenues	7.6.	3,833	23,263
Financial expenses	7.7.	43,946	36,023
Profit (loss) before tax		**-144,483**	**117,154**
Income tax	7.8	2,661	13,191
Net profit (loss) on continued operations		**-147,144**	**103,963**
Discontinued operations			
Net profit (loss) on discontinued operations			
Net profit (loss)		**-147,144**	**103,963**
Net profit (loss) attributable to:			
- shareholders of the parent company		-141,884	105,865
- non-controlling shareholders		-5,260	-1,902

NET PROFIT (LOSS) PER ONE ORDINARY SHARE (PLN)

	Note	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Basic profit per share			
Basic profit per share on continued operations		-2.35	1.75
Basic profit per share on discontinued operations			
Basic profit per share		**-2.35**	**1.75**
Diluted profit per share			
Diluted profit per share on continued operations		-2.35	1.75
Diluted profit per share on discontinued operations			
Diluted profit per share		**-2.35**	**1.75**

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	Note	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Net profit (loss)		**-147,144**	**103,963**
Other comprehensive income:			
Items not transferred to the financial result		-	-
Revaluation of tangible fixed assets		-	-
Income tax on other comprehensive income that will not be carried forward in later periods		-	-
Items transferred to the financial result		**1,404**	**-9,439**
Instruments securing cash flows		**2,154**	**13,876**
- profits (losses) included in the period in other comprehensive income		2,722	17,636
- amounts transferred to the financial result		-568	-3,760
- amounts included in the initial value of hedged items			
Exchange rate differences on the translation of foreign operations		**-750**	**-23,315**
- profits (losses) included in the period in other comprehensive income		-750	-23,315
- amounts transferred to profit or loss - sale of foreign operations / change in consolidation method		-	-
Share in other comprehensive income of equity accounted entities		-	-
Other comprehensive income before taxation		1,404	-9,439
Income tax on other comprehensive income that can be transferred to profit or loss		-411	-2,637
Other comprehensive income after taxation		993	-12,076
Total comprehensive income		**-146,151**	**91,887**
Total comprehensive income for:			
- shareholders of the parent company		-140,712	94,711
- non-controlling shareholders		-5,439	-2,824

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Data for the period from 01.01.2024 to 31.12.2024

	Share capital	Own shares (-)	Capital on sale of shares over their nominal value	Other capitals	Retained earnings	Total capital for the shareholders of the dominating entity	Non-controlling interest	Total equity
Note	9.10.1.		9.10.3.	9.10.3.			9.10.5.	9.10.
Balance at the beginning of the period	**12,075**	**-**	**72,368**	**-42,053**	**577,082**	**619,472**	**7,833**	**627,305**
Transactions with non-controlling parties:	-	-	-	-	-	-	-	-
Valuation to repurchase remaining shares	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-
Change of capital group structure	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-
Issue of shares	-	-	-	-	-	-	-	-
Net profit (loss)	-	-	-	-	-141,884	-141,884	-5,260	-147,144
Other comprehensive income after taxation	-	-	-	1,172	-	1,172	-179	993
Comprehensive income total	-	-	-	1,172	-141,884	-140,712	-5,439	-146,151
Changes in the equity capital	**-**	**-**	**-**	**1,172**	**-141,884**	**-140,712**	**-5,439**	**-146,151**
Balance at the end of the period	**12,075**	**-**	**72,368**	**-40,881**	**435,198**	**478,760**	**2,394**	**481,154**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

Data for the period from 01.01.2023 to 31.12.2023

	Share capital	Own shares (-)	Capital on sale of shares over their nominal value	Other capitals	Retained earnings	Total capital for the shareholders of the dominating entity	Non-controlling interest	Total equity
Note	9.10.1.		9.10.3.	9.10.3.			9.10.5.	9.10.
Balance at the beginning of the period	**12,075**	**-**	**72,368**	**-25,447**	**495,282**	**554,278**	**10,657**	**564,935**
Transactions with non-controlling parties:	-	-	-	-	-	-	-	-
Valuation to repurchase remaining shares	-	-	-	-5,452	-	-5,452	-	-5,452
Other adjustments	-	-	-	-	85	85	-	85
Change of capital group structure	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-24,150	-24,150	-	-24,150
Issue of shares	-	-	-	-	-	-	-	-
Net profit (loss)	-	-	-	-	105,865	105,865	-1,902	103,963
Other comprehensive income after taxation	-	-	-	-11,154	-	-11,154	-922	-12,076
Comprehensive income total	-	-	-	-11,154	105,865	94,711	-2,824	91,887
Changes in the equity capital	**-**	**-**	**-**	**-16,606**	**81,800**	**65,194**	**-2,824**	**62,370**
Balance at the end of the period	**12,075**		**72,368**	**-42,053**	**577,082**	**619,472**	**7,833**	**627,305**

CONSOLIDATED CASH FLOW STATEMENT

	Note	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Cash flows from operating activities			
Profit (loss) before tax		-144,483	117,154
Adjustments:			
Depreciation and write-downs for fixed assets	9.1.2.,9.1.3.	87,126	76,666
Change in fair value of derivatives		-742	-17,159
Profit (loss) on sales of fixed assets	9.1.2.,9.1.3.	-312	-177
Profit (loss) on exchange rate differences		618	4,993
Interest expense	7.7.	35,287	27,438
Revenue on interests	7.6.	-905	-2,946
Dividend revenue			
Other adjustments		8,400	-13,838
Movement of inventories		87,759	68,362
Movement of receivables		26,504	53,104
Movement of liabilities		-136,084	-61,440
Movement of reserves		7,553	8,535
Adjustments total		**115,204**	**143,538**
Cash flow on activities		**-29,279**	**260,692**
Proceeds (receeds) from settlement of derivatives		555	15,618
Paid income tax		-10,228	-4,360
Net cash on operating activity		**-38,952**	**271,950**
Cash flows on investment activities			
Expenses for purchase of intangible assets	9.1.2.	-46,263	-69,858
Expenses for purchase of tangible fixed assets	9.1.3.	-28,283	-112,282
Proceeds on sales of tangible fixed assets	9.1.3.	1,609	185
Expenses for the acquisition of investment properties		-	-
Revenues on sale of investment real properties	9.2.	-	-
Net expenses for acquisition of subsidiaries		-	-
Received repayments of granted loans		-	-
Granted loans		-	-
Expenses for acquisition of other financial assets		-1,339	-
Proceeds on sale of other financial assets		235	734
Proceeds from grants received		6,466	6,132
Received interests		203	3,447
Net cash on investment activities		**-67,372**	**-171,642**
Cash flows from financing activities			
Net proceeds on issue of shares/stocks		-	-
Proceeds due to issue of debt securities		20,000	-
Proceeds due to incurring credits and loans	9.11.1.	177,977	63,432
Repayment of credits and loans	9.11.1.	-42,216	-123,661

Repayment under lease agreements	9.11.1.	-20,242	-24,502
Interests paid	9.11.1.	-32,116	-30,061
Dividends paid	9.10.4.	-	-24,150
Other expenses (receeds)		-	-
Net cash from financial activities		**103,403**	**-138,942**
Net movement in cash and cash equivalents excluding foreign exchange differences		-2,921	-38,634
Movement in cash and cash equivalents due to exchange rate differences		-8,738	12,860
Movement of net cash and cash equivalents		-11,659	-25,774
Cash and cash equivalents at the beginning of the period		**90,568**	116,342
Cash and cash equivalents at the end of the period		**78,909**	**90,568**

ACCOUNTING POLICIES AND ADDITIONAL NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

1.1. Name, registered office, business activity

Name of the reporting entity: WIELTON S.A.

Address of the registered office of the entity: 98-300 Wieluń, ul. Rymarkiewicz 6

Registration country: Poland

Description of activities: Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers

Registered office of the entity: Poland, 98-300 Wieluń, ul. Rymarkiewicz 6

Legal form: joint-stock company

Principal place of operation: Wielton S.A. runs its business in Wieluń at ul. Rymarkiewicz, ul. Fabryczna and ul. Żołnierzy Niezłomnych.

Wielton S.A. is a company specialising in the production of semi-trailers and trailers and has the widest range of products both in relation to domestic manufacturers and in comparison with foreign competitors. The company responds flexibly to customer demand for the installation of additional or non-standard equipment, at the customer's request. The Company manufactures trailers, semi-trailers and car bodies used in various areas of business such as transport, industry, construction and agriculture.

As at 31 December 2024, the Wielton Capital Group ("Group", "Wielton Group") consisted of the parent company Wielton S.A. ("Company", "Issuer") and its 35 subsidiaries (including eight indirect subsidiaries), which are based in Poland, Germany, France, the United Kingdom, Spain, Russia, Kazakhstan, Ukraine, Belarus, Slovakia, the Netherlands, Denmark, Italy and Africa.

Wielton S.A. shares have been listed on the Warsaw Stock Exchange since 2007.

The registered office of the parent company is also the primary place of business of the Capital Group.

The duration of Wielton S.A.'s business is indefinite.

1.2. Composition of the Management Board and the Supervisory Board of the Parent Company

Management Board

As at 31 December 2024 and at the date of this report, the composition of the Management Board of Wielton S.A. was as follows:

- Paweł Szataniak – President of the Management Board and CEO of the Wielton Group;
- Mariusz Golec – Vice-President of the Management Board and Deputy CEO of the Wielton Group;
- Tomasz Śniatała – Member of the Management Board and CFO of the Wieluń Branch;
- Włodzimierz Masłowski – Member of the Management Board and Director of Eastern Markets and Agro Market
Of the Wieluń Branch,

- Andrzej Mowczan – Member of the Management Board and Commercial Director of the Wieluń Branch;
- Maciej Grzelązka – Member of the Management Board and Operating Director of the Wieluń Branch;

Changes in the composition of the Management Board of Wielton S.A. during the four quarters of 2024

On 26 September 2024, Mr Piotr Kuś submitted his resignation as Vice-President of the Management Board of Wielton S.A., effective on 26 September 2024. The Company reported on the event in current report No. 16/2024 of 26 September 2024.

The duties of General Manager of the Wieluń Branch were assigned to Mr Mariusz Golec.

Supervisory Board

As at 31 December 2024 and at the date of this report, the composition of the Supervisory Board was as follows:

- Waldemar Frąckowiak – President, Independent Member,
- Mariusz Szataniak – Deputy President,
- Krzysztof Półgrabia – Secretary,
- Tadeusz Uhl – Independent Member,
- Krzysztof Tylkowski – Member,
- Piotr Maciej Kamiński – Member.

There were no changes in the composition of the Supervisory Board of Wielton S.A. during the four quarters of 2024.

Detailed information on the experience and competences of the managing and supervising persons can be found on the Company's website http://wieltongroup.com in the Investor Relations - Corporate Governance tab.

1.3. Information about the Capital Group

The consolidated financial statements of the Wielton Group include the Parent Company and the following subsidiaries:

Company name	Registered office	Principal activities	Percentage share of Group companies in the share capital	
			31.12.2024	31.12.2023
Parent company:				
Wielton S.A.	Wieluń, Poland	Manufacture of trailers and semi-trailers	Not applicable	
Direct subsidiaries:				
Wielton-Logistic Spółka z o.o.	Wieluń, Poland	Transport services for Group companies and third parties	100%	100%
Viberti Rimorchi S.R.L	Tocco da Casauria, Italy	Production of curtain wall trailers, semi-trailers and tipper trailers	100%	100%
Wielton GmbH	Trebbin, Germany	Sale of semi-trailers and trailers	100%	100%
Fruehauf SAS	Auxerre, France	Manufacture of trailers and semi-trailers for heavy goods vehicles	100%	100%
Wielton Africa SARL	Abidjan (Côte d'Ivoire), Africa	Sales and distribution of products on the African market	100%	100%
Langendorf GmbH	Waltrop, Germany	Production of semi-trailers, tippers, prefabricated building material carriers, technical glass carriers and special vehicles	80%	80%
Lawrence David Ltd	Peterborough, United Kingdom	Manufacture of trailers, semi-trailers and car bodies	100%	100%
Guillén Desarrollos Industriales S.L.	Alginet, Spain	Production of curtain wall trailers, van and semi-trailers	80%	80%
Aberg Axles Sp. z o.o.	Wieluń, Poland	Research and development of mechanical and electrical axes for the Group	80%	80%
Aberg-E Sp. z o.o.	Wieluń, Poland	Providing solutions for the e-mobility market	100%	100%
Aberg Connect Sp. z o.o.	Wieluń, Poland	Development of telematics and tyre pressure monitoring systems	75%	75%
„Wielton Rosja" OOO	Moscow, Russia	Assembly and sale of trailers	100%	100%
„Wielton-Ukraina" TзOB	Kiev, Ukraine	Sales and marketing	100%	100%
„Wielton BY" TJP	Minsk, Belarus	Sales and marketing	100%	100%
Wielton Group Shared Service Center Sp. o.o.	Wieluń, Poland	Shared services within the Group	100%	100%
Wielton Slovakia S.R.O	Bratislava, Slovakia	Sales and distribution of products on the Slovak market	100%	100%
Wielton Africa LTD	Peterborough, United Kingdom	Sales and distribution of products on the African market	93%	93%
Wielton Distribution Center Sp. z o.o.	Wieluń, Poland	Distribution of production materials	100%	100%
Aberg Service Sp. z o.o.	Wieluń, Poland	Group after-sales service	100%	100%
Wielton Agro Sp. z o.o.	Wieluń, Poland	Sales of products from the agro segment	100%	100%

Wielton Reefer Sp. z o.o.	Wieluń, Poland	Production of refrigerated trailers	100%	100%
Moveyo Sp. z o.o.	Wieluń, Poland	Sale and distribution of a standardised curtain wall trailer	100%	100%
Wielton Benelux B.V.	Horst, Netherlands	Sales and distribution of products in the Benelux markets	100%	-
Guillén Rental, S.L.	Alginet, Spain	Rental of trailers	80%	-
Wielton Scandinavia A/S	Kolding, Denmark	Sales and distribution in the Nordic market	100%	-
Retrailer Sp. z o.o.	Wieluń, Poland	Purchase, refurbishment, rental and recycling of semi-trailers	100%	-
Wielton Defence Sp. z o. o.	Wieluń, Poland	Production of trailers for the army and police	100%	-

Indirect subsidiaries:

Wielton Kazachstan	Almaty, Kazakhstan	Product sales in the eastern market	100%	100%
SFL Verwaltungs GmbH	Waltrop, Germany	Administrative, advisory services	80%	80%
Langendorf Service GmbH	Waltrop, Germany	After-sales service, maintenance	86%	86%
Langendorf Trading GmbH	Waltrop, Germany	Rental and sale of second-hand vehicles	86%	86%
SFL Grundstucksgesellschaft mbH & Co KG	Waltrop, Germany	Real estate and investment management services	80%	80%
Langendorf Polska Sp. z o.o.	Wieluń, Poland	Production of low-loader trailers	80%	80%
Aberg Axles GmbH	Waltrop, Germany	Research and development of mechanical and electrical axes for the Group	80%	80%
Wielton Maroc SARL AU	Casablanca, Morocco	Sales and distribution of products on the African market	93%	-

As the Parent Company, Wielton S.A. defines the Group's development strategy and, through its participation in the statutory bodies of the companies, makes key decisions concerning both the scope of operations and the finances of the entities that make up the Group. Wielton S.A.'s capital links with Group companies strengthen ties of a commercial nature.

As at 31 December 2024 and 31 December 2023, the share in the total number of votes held by Wielton S.A. in subsidiaries is equal to Wielton S.A.'s share in the capital of these entities.

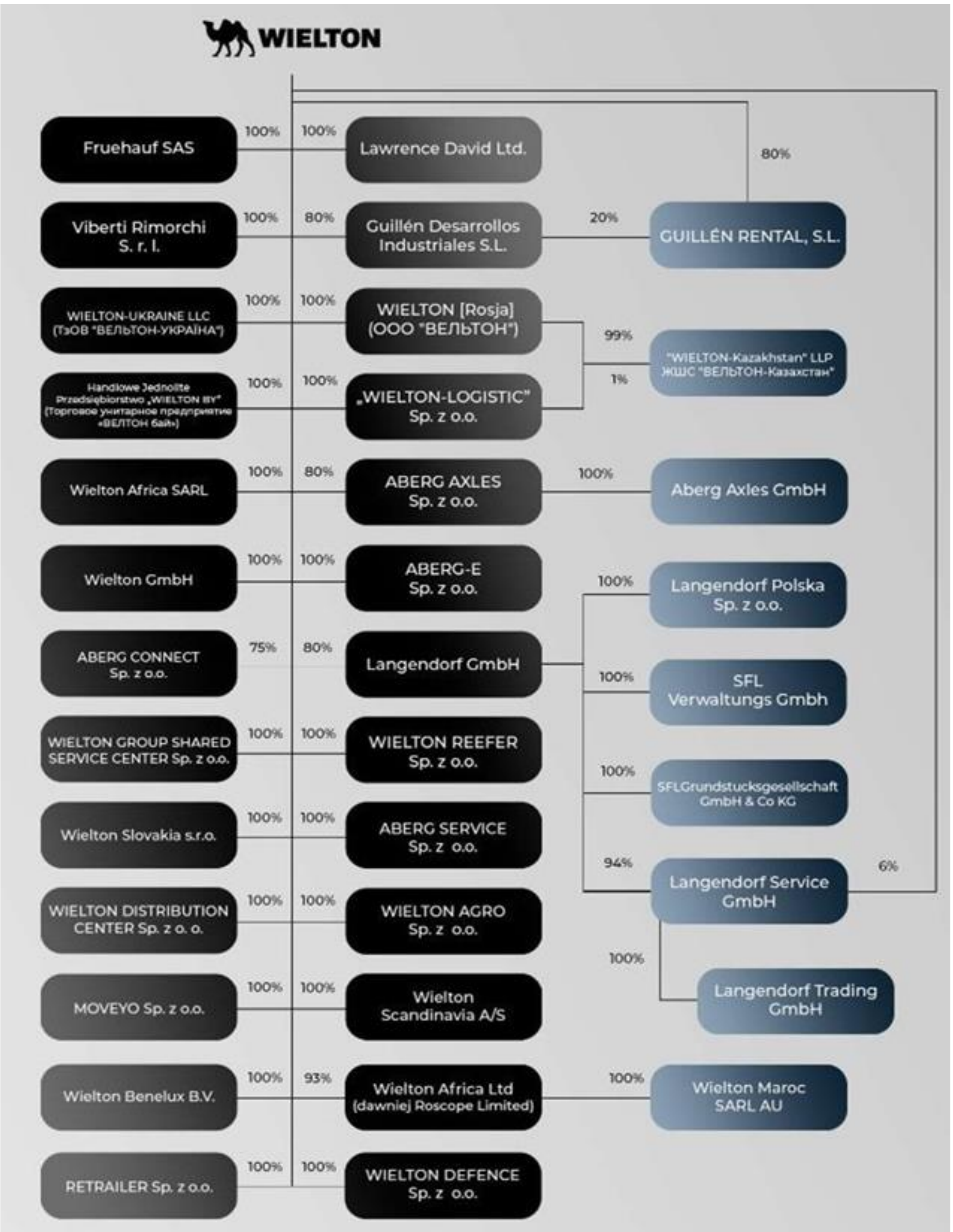
All subsidiaries indicated above were consolidated using the full method.

The following changes to the structure of the Wielton Group took place in 2024:

- In January 2024, WIELTON BENELUX B.V. (the equivalent of a limited liability company) was registered, with its registered office in the Netherlands.
- In February 2024, WIELTON MAROC SARL AU (the equivalent of a limited liability company with one shareholder) was registered, with its registered office in Casablanca.
- In March 2024, SLT1 Sp. z o.o. changed its name to MOVEYO Sp. z o.o.
- RETRAILER Sp. z o.o., based in Wieluń, was registered in April 2024.
- GUILLÉN RENTAL, S.L., based in Spain, was registered in April 2024.
- WIELTON SCANDINAVIA A/S (the equivalent of a limited liability company), based in Denmark, was registered in April 2024.
- WIELTON DEFENCE Sp. z o.o., based in Wieluń, was registered in June 2024.

After the balance sheet date, there were no changes in the structure of the Wielton Group up to the date of this Report.

Accordingly, as at 31 December 2024 and at the date of this report, the structure of the Wielton Group was as follows:



2. Basis for the preparation of the consolidated financial statements

The consolidated financial statements of the Capital Group have been prepared in accordance with International Financial Reporting Standards (hereinafter "IFRS"), as endorsed by the European Union, effective for annual periods beginning on 1 January 2024.

The consolidated financial statements were drawn up with an assumption that the Group is going to continue its commercial activities in the foreseeable future.

Against a backdrop of high cost inflation, elevated interest rates, geopolitical instability and continued disruption to supply chains, the European Union's economy has slowed in 2024. GDP growth in many member states was below forecasts, with consumption and investment slowing under the impact of rising energy and fuel costs and wage pressures. This is a major factor in the destabilisation of the transport industry. Another was the new EU regulations resulting from the Green Deal policy and the Mobility Package. These obligations have increased the administrative burden and operating costs for carriers. As a result, many transport companies in Europe have struggled with liquidity problems and reduced purchases of new rolling stock. All these unfavourable impulses have affected the downturn in the trailer industry.

The market for trailers and semi-trailers recorded deep declines, reaching:

- 31.4% in Poland,
- over 22% in the United Kingdom,
- around 19% in Central and Eastern European countries,
- 17.3% in France,

namely the markets in which the Group operates.

The financial losses incurred and the deteriorating liquidity caused the Group to breach the ratios included in the loan agreements. Up to the date of signing of these financial statements, the Company is not aware of any rights to be exercised by the banks on the occurrence of breaches of the loan agreement.

The consolidated financial statements were drawn up with an assumption that Wielton S.A. and the Group are going to continue their commercial activities in the foreseeable future. The financial losses incurred and the deteriorating liquidity, the bank financing due in September and December 2025 and the breach of the financial debt ratio of net debt/EBITDA as at the balance sheet date, as well as the lack of information from the banks on the waiver of their rights due to the occurrence of violations of the loan agreement, are, in the opinion of the Management Board, a situation indicating significant uncertainties that may cast doubt on the Company's and the Group's ability to continue as a going concern.

The key actions of the Company's Management Board are directed at ensuring that the Company and the Group continue as a going concern. To guarantee the continuity of manufacturing processes, the Company successfully sought to mobilise additional tranches of working capital loans, which allowed it to maintain its liquidity. Payment relationships with counterparties have been significantly improved, with the Group assisting them in obtaining merchant limit insurance. This is important because the Group's continued growth in turnover requires a greater commitment to trade liabilities in financing working capital.

The Company has a good relationship with the financial institutions that co-finance the Wielton Group's operations and secure the Group's debt position. Thanks to the good cooperation, the Company not only maintained its existing financing, but also obtained additional liquidity financing (PLN 110 million in 2024 and PLN 65 million after the balance sheet date in 2025). Despite the breach of covenants, the lenders did not exercise their rights due to the occurrence of an event of default in the loan agreement, moreover they suspended the repayment of loan instalments until the end of the third quarter of 2025, including two due in 2024 and three in 2025.

Thanks to its long-standing correct cooperation with the Export Credit Insurance Corporation, the Company obtained additional guarantee limits (in 2024, PLN 265 million), which allowed it to secure new tranches of bank loans and to re-insure existing ones.

The Company has entered into discussions with banks regarding the refinancing of syndicated loans and bilateral loans. The refinancing will cover term loans and bilateral loans granted by the banks that are part of the current consortium, i.e. PKO BP S.A, BNP Paribas and BGK, as well as a bilateral loan from Credit Agricole. According to Wielton S.A., the refinancing process should be completed by the end of September 2025.

The Company's Management Board is seeking a capital injection of PLN 50 million, which will meet the requirements of the financing banks. Work on raising additional funds is well advanced and the Company's aim is for this to be finalised topped up with access to capital in June 2025.

We report periodically to lenders on the progress and current situation of the Company and the Group also in the form of KPIs covering the number of orders held, their margins and the production volume realised. The level of KPIs reported to the banks is in line with the level expected by the banks. In addition, we provide reporting information based on a standard template prepared by financial institutions.

The company's Management Board is intensively soliciting new orders. The order book is increasing due to orders placed by both loyal customers and new ones. With market expectations and trends in mind, the Group has stepped up its efforts to present its product portfolio and the wide range of services it provides. In 2024, the Group presented solutions at, among others, the IAA in Hanover, TransLogistica Poland in Warsaw, Libramont in Belgium or the Intermodal Congress in Poland.

A very important event for the Wielton Group was the MSPO International Defence Industry Exhibition in Kielce, during which the Group presented Wielton Defence, which was set up in the middle of the year, for the first time, with a six-axle LB6 low loader semi-trailer. Wielton Defence Sp. z o.o.'s task is to create transport solutions for the defence sector; moreover, the format of this activity is a key element of the Wielton Group's business diversification strategy. In March 2025, the first two-year defence contract worth PLN 10 million was signed with the Research and Development Centre for Mechanical Equipment in Gliwice.

The Management Board is of the opinion that the measures presented to eliminate the risks will be successful.

The consolidated financial statements have been prepared on the historical cost basis, except for derivative financial instruments measured at fair value and loans, borrowings and other debt instruments measured at depreciated cost. Consolidated financial statements are presented in accordance with IAS 1.

The Group presents separately the "Consolidated statement of profit or loss", which is included immediately before the "Consolidated statement of comprehensive income". "Consolidated statement of profit or loss" is presented on a calculation basis, while "Consolidated statement of cash flows" is prepared using the indirect method. In the case of retrospective introduction of changes to the accounting rules, presentation or adjustments of errors, the Group presents statement on the financial situation drawn up additionally at the beginning of the comparative period, if the above changes are significant for the data presented at the beginning of the comparative period. In this situation, the presentation of the notes to the third statement of financial position is not required.

2.1. Consolidation rules

The present consolidated financial statements include financial statements of Wielton S.A. and the financial statements of its subsidiaries drawn up for the period ended on 31 December 2024. The financial statements of subsidiaries, after adjustment leading to consistence with IFRS, are drawn up for the same reporting period as the financial statements of the Parent Company, using coherent accounting rules, based on coherent accounting rules applied for transactions and economic events of a similar character. Adjustments are made in order to eliminate any discrepancies in the applied accounting rules.

2.2. Use of assumptions, estimates and judgements in accounting

In preparing the consolidated financial statements, the Parent Company's Management Board uses its judgement in making numerous estimates and assumptions that affect the accounting policies applied and the values of assets, liabilities, revenue and expenses presented. Actual realised values may differ from the Management Board's estimates. Information on estimates and assumptions made that are significant to the consolidated financial statements is presented in the notes. Estimates and associated assumptions are subject to ongoing review. A change in accounting estimate is recognised in the period in which it is changed if it relates only to that period, or in the current and future periods if the changes relate to both the current and future periods. The significant assumptions made in making the estimates are set out in the relevant notes to the report. Selected significant accounting policies and significant values based on judgements and estimates are presented as part of the individual notes to the consolidated financial statements, except as described above.

2.3. Functional currency, presentation currency, foreign currency translation and foreign currency transactions

The functional currency of the Parent Company and the presentation currency of these consolidated financial statements is the Polish zloty, and all amounts are expressed in thousands of Polish zloty (unless otherwise indicated). For consolidation purposes, the financial statements of foreign companies are translated into the Polish currency according to the principles presented in the accounting principles below.

When analysing the data arising from the Group's financial statements, it should be borne in mind that the rounding of the individual component figures of the financial statements into thousands of PLN follows the mathematical rounding rule. Individual numbers (values) of up to PLN 499.99 are rounded down to 0 (thousand) and numbers (values) of PLN 500.00 and above are rounded up to 1 (thousand). The above means that the sum of assets will always equal the sum of liabilities, but it is possible that the rounding of a number that is a summary of the components will differ by 1 from the mathematical sum of the rounding of the individual component numbers of a given summary.

2.3.1. Translation of financial statements of foreign entities

The financial statements of foreign entities are translated into the presentation currency of the consolidated financial statements as follows:

- relevant items of the statement of financial position at the average exchange rate set by the National Bank of Poland (NBP) as at the final day of the reporting period ("average NBP exchange rate as at the final day of the reporting period"),
- relevant items of the statement of comprehensive income at the exchange rate being the arithmetic mean of the average exchange rates determined by the National Bank of Poland for each day ending a month of the reporting period ("average NBP exchange rate for the reporting period").

Exchange rate differences arising from such translation are recognised as separate items in equity and other comprehensive income.

The item Exchange differences on translation consists of exchange rate differences related to the translation into Polish zlotys of the financial statements of foreign entities and groups

The following exchange rates have been adopted for the valuation of items in the statement of financial position:

Functional currency of the subsidiary	31 December 2024	31 December 2023
EUR (euro)	4.2730	4.3480
RUB (Russian rouble)	0.0375	0.0427
KZT (Kazakh tenge)	0.0078	0.0086
UAH (hryvnia)	0.0976	0.1037
BYN (Belarusian rouble)	1.2179	1.2955
XOF (CFA franc)	0.0065	0.0066
GBP (British pound)	5.1488	4.9997

The following exchange rates have been adopted for the valuation of items in the statement of comprehensive income:

Functional currency of the subsidiary	01.01.2024 to 31.12.2024	01.01.2023 to 31.12.2023
EUR (euro)	4.3042	4.5284
RUB (Russian rouble)	0.0425	0.0496
KZT (Kazakh tenge)	0.0085	0.0091
UAH (hryvnia)	0.0991	0.1153
BYN (Belarusian rouble)	1.2308	1.2955
XOF (CFA franc)	0.0065	0.0069
GBP (British pound)	5.0960	5.2080

2.3.2. Foreign currency transactions

The consolidated financial statements are presented in Polish zlotys (PLN) which is the functional value of the Parent Company.

In general, transactions denominated in currencies other than PLN are translated into PLN using the exchange rate applicable on the date of conclusion of the transaction (spot rate). However, if a sale or purchase transaction is preceded by the receipt or payment of an advance in foreign currency respectively, the advance at the date of payment is recognised at the exchange rate at that date. Subsequently, when revenue earned in currency or an expense or asset purchased is recognised in the statements, these transactions are recognised at the exchange rate on the date the advance payment is recognised, rather than at the rate on the date the revenue or expense or asset is recognised.

As at the reporting date, the monetary items denominated in currencies different than PLN are translated into PLN using the closing exchange rate applicable as at the end of the reporting period, i.e. the average exchange rate for a given currency announced by the National Bank of Poland.

Non-monetary items recognised at historical cost in a foreign currency are recognised at the historical exchange rate of the transaction date.

Non-monetary items recorded at fair value expressed in foreign currency are recognised according to the exchange rate from the date of establishment of the fair value, i.e. the average exchange rate announced for a given currency by the National Bank of Poland.

Exchange rate differences arising from settlement of transactions or conversion of monetary items different than derivative instruments are respectively recognised in the financial revenues or expenses in the net amount, except exchange rate differences capitalised in the value of assets in the cases specified in the accounting rules (presented in item concerning the costs of external financing).

Exchange rate differences from valuation of derivative instruments expressed in foreign currency are included in the result, unless they constitute hedging of cash flows. Derivative instruments hedging cash flows are included in accordance with the hedge accounting rules.

As at the reporting date, assets and liabilities of foreign entities are converted into Polish zloty using the closing exchange rate applicable as at the reporting date, i.e. using the average exchange rate determined for a given currency by the National Bank of Poland, and their comprehensive income statements and profit and loss accounts are converted using the weighted average rate for a given reporting period. Exchange rate differences arising from such conversion are included in other comprehensive income and accumulated in a separate item of the equity capital. At the moment of disposal of a foreign entity, the deferred exchange rate differences accumulated in the equity capital concerning a given foreign entity are included in the result.

Goodwill arising from acquisition of control over a foreign entity is treated as assets and liabilities of a foreign entity and is converted using the closing exchange rate applicable as at the reporting date, i.e. using the average exchange rate determined for a given currency by the National Bank of Poland.

3. New standards and interpretations

Amendments to standards or interpretations in force and applied by the Group from 2024 onwards

Standard/Interpretation	Effective date	Description of the amendments to the standard/interpretation
Amendment to IAS 1 "Presentation of Financial Statements"	annual periods beginning on 1 January 2024 amendments accepted by the European Commission	The amendment clarifies that, at the balance sheet date, an entity does not take into account covenants that will have to be met in the future when considering the classification of liabilities as long- or short-term. Instead, the entity should disclose information about these covenants in the notes to the financial statements.
Amendment to IAS 1 "Presentation of Financial Statements"	annual periods beginning on 1 January 2024 amendments accepted by the European Commission	The IAS Board clarified the principles for classifying liabilities into long-term or short-term primarily in two respects: • clarified that the classification depends on the rights that the entity holds at the balance sheet date, • management's intentions with regard to accelerating or delaying the payment of an obligation are not taken into account.
Amendment to IFRS 16 "Leases"	annual periods beginning on 1 January 2024 amendments accepted by the European Commission	The amendment clarifies the requirements in relation to the measurement of the lease liability arising from sale and leaseback transactions. It is intended to prevent inappropriate recognition of the result on a transaction for the retained right-of-use portion when the lease payments are variable and do not depend on an index or rate.
Amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures"	annual periods beginning on 1 January 2024 amendments accepted by the European Commission	The amendment describes the characteristics of reverse factoring arrangements ('Supplier finance arrangements') and introduces the need for additional disclosures.

Voluntary early application of a standard or interpretation has not been used in these consolidated financial statements.

Published standards and interpretations that are not effective for periods beginning on 1 January 2024 and their impact on the Group statements

Standard/Interpretation	Effective date	Description of the amendments to the standard/interpretation
Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates"	annual periods beginning on 1 January 2025 amendments accepted by the European Commission	The amendment clarifies how an entity should assess whether a currency is convertible and how it should determine the exchange rate in case of non-convertibility, and requires disclosures that allow users of financial statements to understand the impact of currency non-convertibility.
Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" regarding the classification and measurement of financial instruments	annual periods beginning on 1 January 2026 amendments not accepted by the European Commission	The amendments to IFRS 9 introduce an accounting policy choice for when a liability expires when payment is made through an electronic payment system (if certain conditions are met). The amendments to IFRS 9 on the SPPI test provide guidance to help assess whether the contractual cash flows are consistent with the basic lending arrangement. In addition, the amendments introduce a clearer definition of the non-recourse feature. The amendments to IFRS 9 also provide additional guidance on the characteristics of contractually linked instruments. The amendments to IFRS 7 add new disclosure requirements: • relating to investments in equity instruments designated as measured at fair value through other comprehensive income, • for each class of financial assets measured at amortised cost or fair value through other comprehensive income, and for financial liabilities measured at amortised cost.
Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" regarding PPAs (Contracts Referencing Nature-dependent Electricity)	annual periods beginning on 1 January 2026 amendments not accepted by the European Commission	The amendments to IFRS 9 include information on which PPAs may be used in hedge accounting and what specific terms are permitted in such hedging relationships. The amendments to IFRS 7 introduce new disclosure requirements for PPAs as defined in the amendments to IFRS 9.
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7	annual periods beginning on 1 January 2026 amendments not accepted by the European Commission	Annual Improvements - organisational changes only.

Standard/Interpretation	Effective date	Description of the amendments to the standard/interpretation
New IFRS 18 "Presentation and Disclosures in Financial Statements"	annual periods beginning on 1 January 2027 standard not accepted by the European Commission	The new standard will replace IAS 1 "Presentation of Financial Statements". IFRS 18 introduces, among others: • new profit and loss account structure, • increased requirements for data aggregation and disaggregation, • disclosure requirements for management-defined performance measures.
New IFRS 19 "Subsidiaries without public accountability: disclosures"	annual periods beginning on 1 January 2027 standard not accepted by the European Commission	The standard applies to subsidiaries without public accountability where their parent company prepares consolidated financial statements in accordance with IFRS. The new IFRS 19 exempts from the disclosures required by other standards and instead introduces a new list.

The Group intends to implement the above regulations within the timeframes provided for by the standards or interpretations.

4. Other factors affecting the Group's financial statements

Situation in Ukraine and Russia

Based on an analysis as at 31.12.2024 of the potential impact of changes in the macroeconomic situation in Europe and the world caused by the armed conflict in Ukraine and the sanctions imposed on Russia, the Group has not identified any indication of the need to test non-current assets for impairment or to modify any significant assumptions and estimates made by the Group.

Russia was categorised by Wielton as a strategic market in which its presence was to be long-term. Russia's aggression against Ukraine resulted in Wielton S.A.'s decision in 2022 to limit its operations in Russia and deliveries of the Group's products to the Russian market, with deliveries to OOO Wielton being completely halted.

Wielton Ukraine's headquarters are located in the war zone between Russia and Ukraine and its normal operations are currently hampered. In 2022, the company did not sell for several weeks as it was unable to access its stock of trailers. There was also no shipment of any new products to Ukraine. In April 2022, the company was able to re-establish operations and start selling Wielton products again, which are on the list of essential products for the sale of which funds can be transferred abroad.

No other factors affecting the Group's financial statements.

5. Business segments

Accounting rules

While separating operating segments, the Management Board of the Parent Company uses product lines which represent the main services and products delivered by the Group. Each of the segments is managed separately within a given product line, because of the characteristics of the rendered services and manufactured goods requiring different technologies, resources and approach to performance.

In accordance with IFRS 8, the results of operating segments result from internal reports periodically verified by the Management Board of the Parent Company (main decisive body in the Capital Group). The Management Board of the Parent Company analyses the results of operating segments at the level of profit (loss) on operating activities. Measurement of the results of operating segments applied in the management calculations is consistent with the accounting rules applied while developing the consolidated financial statements.

Revenue on sales presented in the consolidated statement of profit or loss does not differ from the revenue presented in operating segments, except for the revenues not assigned to segments and consolidation exclusion concerning transactions between segments.

The Wielton Group presents sales revenue, costs and result by segment, but does not present the assets and liabilities of the consolidated statement of financial position by operating segment due to the fact that some fixed assets are used for production included in different segments, hence it is not possible to reliably allocate them.

While separating operating segments, the Management Board of the Issuer uses product lines which represent the main services and products delivered by the Group. Each of the segments is managed separately within a given product line, because of the characteristics of the rendered services/manufactured goods requiring different technologies, resources and approach to performance.

The main segments of the Group include the following operating segments:

- *Road transport*
- *Agro*
- *Services*
- *Transport and shipping services*
- *Other*

The Transport operating segment comprises a range of more than 60 types of transport vehicles. The Group has the widest product range on the domestic market and one of the largest in Europe. In addition, the Group customises its products so that customers can purchase different types of transport vehicles in one place. The offer includes among others:

- *semi-trailers, trailers and kits: curtain-sided and box-type,*
- *tipper semi-trailers,*
- *tipper bodies,*
- *container chassis,*
- *vans,*
- *home delivery trailers,*
- *other vehicles used for transport of:*
    - *large machinery and equipment,*
    - *structural elements (steel coils),*
    - *communal containers,*
    - *glass panes,*
    - *specialised vehicles to facilitate unloading,*
    - *wood logs,*
    - *urban in the retail segment (City-Flexliner),*
    - *modular houses and prefabricated elements.*

The Agro operating segment is involved in the implementation into production and sale of a group of products intended for agriculture, among others:

- *two-axle trailers with turntable,*
- *tandem trailers,*
- *half-pipes,*
- *bale platforms,*
- *dolly trolleys designated to transport semi-trailers using a farm tractor - one-axle and two-axle,*
- *specialised trailers (volumetric trailer, spreader)*

Operations segment The Service sells spare parts for trailers and provides repair services:

- *guarantee repairs,*
- *everyday repairs,*
- *post-accident repairs,*
- *major renovations.*

The operating segment "Transport and shipping services" includes

- *transport services with specialised and universal vehicles provided by the Wielton Logistic subsidiary based in Wieluń. Wielton Logistic is licensed to provide transport services in international traffic.*

The "Other" segment includes the Group's activities that do not fall within the scope of the aforementioned segments, among others, are services and sales of goods.

There were no changes in the Group's accounting policy regarding separation of operating segments and revenue measurement principles during the twelve months of 2024.

The table below presents information on the revenue, result, material non-cash items of the operating segments.

Data for the period from 01.01.2024 to 31.12.2024

	Road transport products	Agro transport products	Services	Transport and shipping services	Other	Total
Revenues from external customers	1,907,986	52,701	92,475	4,857	46,732	2,104,751
Total sales revenue, including:	1,907,986	52,701	92,475	4,857	46,732	2,104,751
- recognised at the time of performance	1,907,986	52,701	92,475	4,857	46,732	2,104,751
Segment's operating result	**-121,437**	**-4,956**	**9,606**	**769**	**2,225**	**-113,793**
Other information						
Depreciation	81,468	49	1,561	1,333	2,715	87,126

Data for the period from 01.01.2023 to 31.12.2023

	Road transport products	Agro transport products	Services	Transport and shipping services	Other	Total
Revenues from external customers	2,984,013	97,222	99,448	3,860	40,680	3,225,223
Total sales revenue, including:	2,984,013	97,222	99,448	3,860	40,680	3,225,223
- recognised at the time of performance	2,984,013	97,222	99,448	3,860	40,680	3,225,223
Segment's operating result*	**114,937**	**1,639**	**3,529**	**1,658**	**3,117**	**124,880**
Other information						
Depreciation	69,925	2,478	1,749	1,131	1,383	76,666

Fixed assets relate to all revenue generated by geographical area. The Group does not analyse the allocation of these assets to specific geographical areas in detail. As assets are not a figure analysed by the Management Board, the Group does not disclose them in accordance with IFRS 8.23.

A reconciliation of the total revenue, result and assets of the operating segments to the corresponding items in the Group's consolidated financial statements is as follows:

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Segment revenues		
Total revenues of operating segments	2,104,751	3,225,223
Revenue from sales	**2,104,751**	**3,225,223**
Segment results		
Segments operating result	-113,793	124,880
Other revenues not assigned to segments	19,018	30,040
Other costs not assigned to segments (-)	-9,595	-25,006
Profit on occasional acquisition of a subsidiary		
Profit (loss) on operating activities	**-104,370**	**129,914**
Financial revenues	3,833	23,263
Financial costs (-)	-43,946	-36,023
Profit (loss) before tax	**-144,483**	**117,154**

Other operating revenues and expenses not allocated to operating segments are described in notes 7.4 and 7.5

6. Assuming control over subsidiaries

There were no acquisitions of control of subsidiaries in 2024.

7. Notes to the consolidated statement of profit or loss

7.1. Revenue from sales

Accounting rules

Sales revenues are recognised in the fair value of payments received or due and represent receivables for products, goods and services delivered within the normal course of business, reduced by discounts, tax on goods and services and other taxes connected with sale (excise tax). Revenues are recognised in the amount which is probable for the Group to be obtained in the form of commercial benefits connected with a given transaction and when the amount of revenues may be estimated in a reliable way.

In the case of sales with a repurchase option, the Group uses the expert method which means estimation of the repurchase probability on the basis of historical execution of the right to demand repurchase for the agreements where that right expired as at the analysis date. At the moment of sale, if there is repurchase probability, the Group lowers the amount of revenues by the value of the estimated repurchases. The costs of manufacture of products sold is reduced by the expected value of the product at the moment of repurchase, taking into account its expected value decrease as at the repurchase date. The amount reducing the revenues is included in the balance-sheet as repurchase commitment and the amount reducing the sales costs - as an element of assets (inventories). There are no revenues accounted for other than in accordance with IFRS 15 in the Group.

Sale of goods and products

The Group mainly sells products such as trailers, semi-trailers and vehicle structures. The prices of sold goods and products do not contain the elements of variable remuneration and the payment dates for individual customers do not exceed 14 days, for the cooperating dealers do not exceed 90 days and in specific cases the Group agrees to prolong the payment period over 90 days. Revenues on sale of goods and products are recognised when the Group transferred the control over the sold goods and products to the purchaser. The above condition is met at the moment of issuing the sales invoice and delivering it to the recipient, which means delivering the item to the recipient and allowing registration of the vehicle.

Revenues from repurchase agreements

The Group enters into semi-trailer sales agreements with domestic and foreign leasing companies, in which it undertakes to repurchase semi-trailers if they are not purchased by the lessee at the end of the lease period. The Group carries out an analysis of historical data (repurchase agreements for which the deadline for exercising the repurchase option has passed), on the basis of which it estimates the likelihood of the lessee not exercising the repurchase option.

The Group estimates the value of a potential repurchase and, at the moment of sale, adjusts (lowers) the amount of revenues by the value of the estimated repurchases. Simultaneously, the Group decreases the costs of manufacturing the products sold connected with the expected repurchase taking into account the expected decrease of the product value at the moment of execution of the right to require repurchase. In connection with the transaction, the balance-sheet contains the return obligation (in the amount decreasing the revenues) and the asset (in the amount decreasing the costs).

Because of a small number of such transactions, the Group used the expert method to estimate the repurchase probability and the related liability in reference to all agreements where the right to require repurchase did not expire yet.
The repurchase probability was estimated on the basis of the analysis of the concluded agreements where the right to require repurchase did not expire as at the date of the analysis.

Sale of services

Revenues on sale of services of the Group include mainly: maintenance services, marketing services, sales agency and lease services. The prices of sold services do not contain elements of variable remuneration and the payment periods do not exceed 31 days. The Group mainly provides services of a short-term nature, where control of the service passes to the customer at a clearly defined point in time.

Revenues on sale of services are recognised at the moment of fulfilling the obligation to provide a service to the customer.The above requirement is met when provision of the service is completed.

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Products		
Semi-trailers	865,346	1,540,607
Steel tippers	90,275	92,130
Aluminium tippers	192,085	321,910
Subcontainers and chassis	264,653	516,444
AGRO	36,927	96,273
Build-ups	45,299	17,425
Sets	93,453	94,497
Trailers	33,094	45,614
Spare parts manufactured in-house	6,102	15,456
Other	20,449	-
Products sales revenues total	**1,647,683**	**2,740,356**
Services		
Transport and shipping services	29,352	31,489
Other services	9,057	47,923
Maintenance services	3,552	10,639
Rental of semi-trailers	472	810
Services sales revenues total	**42,433**	**90,861**
Goods and materials		
Materials	92,739	112,081
Goods	143,307	34,149
Universal semi-trailers	132,480	157,971
Chassis	499	14,801

Other	45,610	75,004
Revenues on sale of goods and materials	**414,635**	**394,006**
Revenue from sales	**2,104,751**	**3,225,223**

Revenues from repurchase agreements - an increase or decrease of 10 percentage points in the likelihood that lessees would not exercise their repurchase option would result in an increase or decrease, respectively, in the adjustment of revenues from product sales and cost of product sales by PLN 3,398 thousand and PLN 3,349 thousand, respectively, in the current reporting period, as well as an increase in the balance of liabilities from expected returns and the value of inventories corresponding to them of PLN 3,322 thousand and PLN 3,349 thousand, respectively.

7.1.1. Revenue by geographical breakdown

Group revenue by segment from external customers by geographic area in 2024 is as follows:

Country	Road transport	Agro	Services	Transport services	Other	Total
France	424,266	407	3,614	-	1	428,288
Poland	350,855	26,079	27,434	3,692	14,621	422,681
United Kingdom	313,017	-	19,692	15	-	332,724
Germany	206,521	14,559	32,613	30	-	253,723
Italy	107,933	-	140	86	1,056	109,215
Spain	46,544	-	1,389	-	4,060	51,993
Sweden	3,121	760	50	-	-	3,931
Belarus	24,765	-	3	-	213	24,981
Romania	43,181	729	563	28	458	44,959
Ukraine	34,993	-	-	-	683	35,676
Cote d'Ivoire	19,795	-	-	-	15,887	35,682
Hungary	20,134	1,740	251	33	1	22,159
Czech Republic	13,930	5,758	1,481	4	704	21,877
Serbia	34,383	-	24	559	99	35,065
Slovakia	32,535	128	727	31	-	33,421
Bulgaria	12,021	543	414	-	249	13,227
The Netherlands	37,626	-	107	210	-	37,943
Lithuania	27,922	456	538	1	691	29,608
Switzerland	18,509	480	6	-	2	18,997
Japan	4,160	-	-	-	-	4,160
Austria	12,984	-	85	56	415	13,540
Other	126,172	1,044	3,345	111	229	130,901
TOTAL	**1,915,367**	**52,683**	**92,476**	**4,856**	**39,369**	**2,104,751**

The Group's revenue from external customers is presented by geographical area, which the Group distinguishes according to the location of external customers.

Group revenue by segment from external customers by geographic area in 2023 is as follows:

Country	Road transport	Agro	Services	Transport services	Other	Total
France	639,303	-	4,586	-	956	644,845
Poland	625,506	55,015	22,515	2,827	7,944	713,807
United Kingdom	566,843	-	23,870	-	-	590,713
Germany	181,076	20,344	31,650	24	244	233,338
Italy	204,597	-	-	83	933	205,613
Spain	70,585	-	2,342	-	4,835	77,762
Sweden	7,586	1,601	18	-	40	9,245
Belarus	152,455	195	-14	-	269	152,905
Romania	42,457	2,256	491	-	154	45,358
Ukraine	70,584	-	14	-	345	70,943
Cote d'Ivoire	18,367	-	4,967	-	-	23,334
Hungary	17,141	1,577	173	-	-	18,891
Czech Republic	18,210	12,002	1,167	-	568	31,947
Serbia	29,229	-	131	621	4	29,985
Slovakia	43,646	-	746	18	350	44,760
Bulgaria	35,361	2,262	439	-	-	38,062
The Netherlands	24,881	-	143	-	-	25,024
Lithuania	32,512	1,243	528	3	1,544	35,830
Switzerland	33,870	393	7	-	-	34,270
Japan	19,762	-	-	-	-	19,762
Austria	18,230	110	74	156	504	19,074
Other	144,341	225	5,601	128	9,460	159,755
TOTAL	**2,996,542**	**97,223**	**99,448**	**3,860**	**28,150**	**3,225,223**

7.2. Costs according to type

Accounting rules

Operating expenses are recognised in the result in accordance with the revenues and costs proportionality rule.

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Depreciation	87,126	76,666
Employee benefits	449,882	507,189
Consumption of materials and energy	1,157,126	2,038,282
External services	251,627	292,929
Taxes and fees	15,618	15,423
Research and development recognised as an expense	136	248
Other generic costs	14,624	18,167
Costs according to type, total	**1,976,139**	2,948,904
Costs of goods and materials sold	246,214	182,331
Movement of products, manufacturing in progress (+/-)	6,531	-17,654
Costs of manufacturing products for internal purposes (-)	-10,340	-13,238
Cost of sales, selling costs and general and administrative expenses	**2,218,544**	**3,100,343**
including costs of sales	**160,985**	**159,978**
including general management costs	**148,922**	**146,853**
including own cost of sales	**1,908,637**	**2,793,512**

7.3. Costs of employee benefits

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Costs of salaries	361,110	411,842
Costs of social insurance	78,661	83,291
Costs of other benefits for the employees	10,111	12,056
Costs of employee benefits total	**449,882**	**507,189**

The accounting policy for employee benefits is described in note 9.13.

7.4. Other operating revenues

Accounting rules

Other revenues include: profit on sale of non-financial fixed assets, donations received, inventory surpluses disclosed, compensation received, reversal of impairment losses on non-financial assets, other. The Group applies the principle of offsetting similar types of transactions in accordance with the provisions of IAS 1 Presentation of Financial Statements, paragraphs 34 and 35.

The Group reports significant items of revenues and expenses recognised in the financial result separately, as presented in the table below.

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Profit on disposal of non-financial fixed assets	-	138
Reversal of write-downs for financial receivables	2,233	-
Reversal of inventory write-downs	1,273	-
Dissolution of unused reserves	671	593
Penalties and damages received and assessed	737	14,466
Grants and subsidies received	5,094	6,719
Transport means tax	-	-
Release of impairment losses on tangible and intangible assets	1,469	34
Revenues from trademark licences	599	865
Tax returns	13	171
Other operating revenues (other)	6,929	7,054
Other operating revenues, total	**19,018**	**30,040**

In 2024, the Group's result from other operating activities amounted to PLN 9,423 thousand, compared to PLN 5,034 thousand in the previous year.

7.5. Other operating expenses

Accounting rules

Other expenses include: loss on sale/liquidation of non-financial non-current assets, write-off of time-barred and written-off receivables, donations made, fines and penalties paid, court fees, inventory shortfalls, write-down of non-financial assets, compensation costs, other. The Group applies the principle of offsetting similar types of transactions in accordance with the provisions of IAS 1 Presentation of Financial Statements, paragraphs 34 and 35.

The Group reports significant items of revenues and expenses recognised in the financial result separately, as presented in the table below.

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Loss on disposal of non-financial fixed assets	32	-
Write-downs of impairment losses on tangible and intangible assets	4,065	1,573
Write-downs for the value of financial receivables	-	11,362
Write-downs for the value of non-financial receivables	-	-
Write-downs for the value of inventories	-	6,307
Paid penalties and damages	735	1,095
Donations granted	140	309
Utilisation of materials	195	145
Costs of banking services	109	128
Write-off of bad debts	441	-
Other operating expenses (other)	3,878	4,087
Other operating expenses, total	**9,595**	25,006

7.6. Financial revenues

Accounting rules

Financial income includes: interest received, excess of foreign exchange gains over losses, other financial income. Interest income is recognised consecutively as it accrues according to the effective interest rate method. Dividends are recognised when the shareholders' rights to receive them are established. The Group applies the principle of offsetting similar types of transactions in accordance with the provisions of IAS 1 Presentation of Financial Statements, paragraphs 34 and 35.

The Group reports significant items of revenues and expenses recognised in the financial result separately, as presented in the table below.

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Revenues relating to financial instruments not measured at fair value through profit or loss:		
• Cash and cash equivalents (deposits)	2,637	1,683
• Loans and receivables (interest)	278	250
Revenues relating to financial instruments not measured at fair value through profit or loss	**2,915**	**1,933**
Hedging derivative instruments	742	17,159
Profits on measurement and realisation of financial instruments at fair value through profit or loss	**742**	**17,159**
Exchange rate differences:		
• Cash and cash equivalents	-	893
• Loans and receivables	-	-18,499
• Financial liabilities estimated according to depreciated costs:	-	21,543
Profit (loss) (+/-) on exchange rate differences	**-**	**3,937**
Update of contingent liability for minority share buy-back option	-	-
Other financial revenues	176	234
Other financial revenue	**176**	**234**
Financial revenues total	**3,833**	**23,263**

The Group has no financial assets or liabilities in the categories designated on initial recognition as measured at fair value through profit or loss. The reported gains and losses on the measurement and realisation of financial instruments measured at fair value through profit or loss relate entirely to financial instruments held for trading.

7.7. Financial expenses

Accounting rules

The Group applies the principle of offsetting similar types of transactions in accordance with the provisions of IAS 1 Presentation of Financial Statements, paragraphs 34 and 35. The Group reports significant items of revenues and expenses recognised in the financial result separately, as presented in the table below. Impairment losses on receivables relating to operating activities are recognised by the Group as other operating expenses (see note 7.5).

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Expenses relating to financial instruments not measured at fair value through profit or loss		
• Financial lease obligations	1,921	1,902
• Loans on loan account	11,730	7,571
• Loans on current account	17,973	14,629
• Loans (interest)	339	196
• Debt securities	-	5,515
• Liabilities due to deliveries and services and other liabilities	8,454	5,641
Expenses relating to financial instruments not measured at fair value through profit or loss	**40,417**	**35,454**
Hedging derivative instruments	-	-
Losses on measurement and realisation of financial instruments at fair value through profit or loss	**-**	**-**
Exchange rate differences:		
• Cash and cash equivalents	1,476	-
• Loans and receivables	-2,568	-
• Financial liabilities estimated according to depreciated costs:	3,863	-
Exchange rate differences total	**2,771**	-
Other financial expenses	758	569
Other financial expenses	**758**	**569**
Financial expenses, total	**43,946**	**36,023**

7.8. Income tax

Accounting rules

Obligatory charges on the financial result include: current and deferred income tax which was not included in other comprehensive income or directly in the capital. Current tax is calculated on the basis of the tax result (taxation basis) of a given accounting year. Tax profit (tax loss) is different from the book profit (loss) before taxation in connection with temporary transmission of revenues subject to taxation and the costs constituting tax deductible costs to other periods and excluding the item of costs and revenues which will never be subject to taxation. Tax charges are calculated on the basis of taxation rates applicable in a given accounting year. Deferred tax is calculated using the balance-sheet method as tax subject to payment or return in the future on the differences between the value of assets and liabilities in the statement of financial situation and the corresponding taxation values used to calculate the taxation basis. Reserve for deferred tax is created on all positive transition differences subject to taxation, and the element of assets due to deferred tax is recognised to the value in which it is probable that the future tax profits can be reduced by the recognised negative transition differences. Assets or reserves are not recognised if the transition difference arises from the initial recognition of an element of assets or liabilities in the transaction which does not constitute a business combination and which does not affect the tax result or the accounting result at the moment of its occurrence. Reserve for the deferred tax on goodwill not subject to depreciation under tax regulations is not recognised. Deferred tax is calculated using tax rates which will be applicable at the moment when the item of assets will be realised or the reserve will be settled, using the regulations applicable as at the reporting date as the basis. The value of an element of assets due to deferred tax is subject to analysis for every reporting date and in the case when the expected future tax profits are not sufficient for realisation of the element of assets or its part, its write-off is made. The Group offsets assets due to deferred income tax against reserves due to deferred income tax only when it has an enforceable legal title to conduct offsetting of receivables and liabilities due to current tax and the deferred income tax is related to the same taxpayer and the same tax authority.

The Group has adopted an accounting policy of recognising an investment relief asset in connection with its operation in a special economic zone and according to the new rules - when it obtains a decision on support within the Polish Investment Zone.

Professional assessment and estimates

The Group recognises an element of deferred tax assets based on the assumption that a taxation profit will be achieved in the future, allowing its utilisation. *Deterioration of the achieved tax results in the future could make that assumption unjustified.*

Key assumptions regarding the recognition of an investment relief asset, the recognition of an asset occurs when the minimum level of investment specified in the zone permit or support decision is met. In addition, the moment of settlement of the relief is estimated, which is translated into the value of the relief to be settled.

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Current tax:		
Settlement of tax for the reporting period	5,789	14,507
Adjustments to the tax charges for previous periods	4	-
Current income tax	5,793	14,507
Deferred tax:		
Origination and reversal of temporary differences	-4,869	-2,039
Settlement of unused tax losses	1,089	-53
Deferred income tax	-3,780	-2,092
Dividend tax	583	776
Minimum tax on commercial property	65	-
Total income tax	**2,661**	**13,191**

In 2024, the income tax charge on the result amounted to PLN 2,661 thousand. The tax amount includes the recognition of an asset on the investment premium in the amount of PLN 4,003 thousand.
In 2023, the income tax charge on the result amounted to PLN 13,191 thousand. The tax amount includes the recognition of an asset on the investment premium in the amount of PLN 14,442 thousand and the utilisation of the investment bonus for the value of PLN 13,810 thousand.

7.8.1. Income tax at effective tax rate and reconciliation of profit before tax with tax basis

A reconciliation of income tax calculated at a rate of 19% on the result before tax to the income tax reported in the consolidated statement of profit or loss is as follows:

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Gross financial result	-144,483	117,154
Income tax at the domestic rate of the parent company (19%)	-27,452	22,259
Reconciliation of income tax on account of:		
Application of a different tax rate in Group companies (+/-)	-2,349	-2,422
Revenues not subject to taxation (-)	-859	-1,297
Dividend tax 9% (resulting from the difference between PL 19% and RU 10%)	-	776
Revenues not subject to taxation in Poland	-59	-61
Tax-free revenues	12,403	-17,217
Costs permanently not constituting the tax deductible costs (+)	11,909	5,989
Use of previously unrecognised tax losses (-)	-	-66
Unrecognised deferred tax asset on deductible temporary differences (+)	1,767	402

Unrecognised deferred tax asset on tax losses (+)	8,323	7,218
Tax adjustments for previous periods (+/-)	861	1,506
Recognition of asset from investment premium	-4,003	-14,442
Update of asset from investment premium	-48	-2,492
Capital profits	-720	-1,215
Recognition of an asset on a tax loss	951	-
Dividend tax	583	-
Income tax charge on the result	-	-
Use of asset from investment premium	7	16,302
Other reserves	-4	-
Asset on a tax loss	-	-2,368
Taxed revenues not constituting accounting revenues	1,241	-
Other changes	110	319
TOTAL	**2,661**	**13,191**

7.8.2. Deferred income tax

Deferred tax assets and liabilities affect the consolidated financial statements as follows:

	31.12.2024	31.12.2023
Balance at the beginning of the period:		
Assets due to deferred income tax	12,186	21,800
Reserve due to deferred income tax	26,931	36,114
Deferred tax at the beginning of the period	**-14,745**	**-14,314**
Movement during the period affecting:		
Financial result (+/-)	3,435	2,029
Other comprehensive income (+/-)	-411	-2,637
Assuming control over a subsidiary	-	-
Other (including net exchange differences on translation)	547	177
Deferred tax per balance at the end of the period, of which:	**-11,174**	**-14,745**
Assets due to deferred income tax	13,038	12,186
Reserve due to deferred income tax	24,212	26,931

7.8.3. Deferred tax assets and liabilities

In the consolidated financial statements at the level of the financial statements of the Group companies, the items of deferred tax assets and liabilities are presented on a net basis.

Data for the period from 01.01.2024 to 31.12.2024

Description	Balance at the beginning of the period	Financial result	Other comprehensive income	Merger settlement	Net exchange differences on translation	Balance at the end of the period
Deferred tax assets	**24,803**	**1,631**	**-411**	**-**	**-242**	**25,781**
Assets:						
Intangible assets	1,170	-339	-	-	-17	814
Tangible fixed assets	2,643	-2,957	-	-	-45	-359
Inventories	6,959	-5,065	-	-	-74	1,820
Receivables due to deliveries and services	1,060	12	-411	-	-1	660
Other assets	1,554	1,727	-	-	18	3,299
Liabilities:						
Employee benefit liabilities	1,293	229	-	-	-4	1,518
Reserves for employee benefits	1,591	-41	-	-	-22	1,528
Other reserves	659	63	-	-	-1	721
Derivative financial instruments	56	-	-	-	-	56
Liabilities due to deliveries and services	-154	766	-	-	-	612
Credits, loans and other debt securities	600	483	-	-	-	1,083
Other liabilities	349	-304	-	-	5	50
Other:						
Differences between tax and balance sheet revenue recognition	-3,780	-	-	-	-	-3,780
Not settled tax losses	10,171	3,054	-	-	-101	13,124
Asset on investment bonus	632	4,003	-	-	-	4,635
Prior period adjustment			-	-	-	-
Reserve due for deferred tax	**39,548**	**-1,805**	**-**	**-**	**-789**	**36,955**
Assets:						
Intangible assets	23,448	89	-	-	-67	23,470
Tangible fixed assets	12,623	-2,329	-	-	-694	9,600
Receivables due to deliveries and services	314	29	-	-	-5	338
Other assets	1,239	953	-	-	-	2,192
Liabilities:						
Liabilities due to deliveries and services	1,287	-311	-	-	-14	962
Credits, loans and other debt securities	495	-219	-	-	-7	269
Other liabilities	143	-17	-	-	-2	124
Deferred tax per balance at the end of the period	**-14,745**	**3,436**	**-411**	**-**	**546**	**-11,174**

Data for the period from 01.01.2023 to 31.12.2023

Description	Balance at the beginning of the period	Financial result	Other comprehensive income	Merger settlement	Net exchange differences on translation	Balance at the end of the period
Deferred tax assets	**27,500**	**1,530**	**-2,637**	**-**	**-1,590**	**24,803**
Assets:						
Intangible assets	613	625	-	-	-68	1,170
Tangible fixed assets	2,841	128	-	-	-326	2,643
Inventories	4,298	3,099	-	-	-438	6,959
Receivables due to deliveries and services	3,763	-54	-2,637	-	-12	1,060
Other assets	1,837	8	-	-	-291	1,554
Liabilities:						
Employee benefit liabilities	1,260	52	-	-	-19	1,293
Reserves for employee benefits	1,584	107	-	-	-100	1,591
Other reserves	565	95	-	-	-1	659
Derivative financial instruments	60	-	-	-	-4	56
Liabilities due to deliveries and services	-47	-119	-	-	12	-154
Credits, loans and other debt securities	535	65	-	-	-	600
Other liabilities	692	-335	-	-	-8	349
Other:						
Differences between tax and balance sheet revenue recognition	-672	-2,773	-	-	-335	-3,780
Not settled tax losses	10,171	-	-	-	-	10,171
Asset on investment bonus	-	632	-	-	-	632
Prior period adjustment			-	-		
Reserve due for deferred tax	**41,814**	**-499**	**-**	**-**	**-1,767**	**39,548**
Assets:						
Intangible assets	23,527	157	-	-	-236	23,448
Tangible fixed assets	14,802	-825	-	-	-1,354	12,623
Receivables due to deliveries and services	344	-9	-	-	-21	314
Other assets	275	953	-	-	10	1,239
Liabilities:						
Liabilities due to deliveries and services	2,201	-794	-	-	-120	1,287
Credits, loans and other debt securities	528	6	-	-	-39	495
Other liabilities	137	13	-	-	-7	143
Deferred tax per balance at the end of the period	**-14,314**	**2,029**	**-2,637**	**-**	**177**	**-14,745**

7.9. Net profit (loss) per one share

Accounting rules

Profit per share is calculated using the formula net profit attributable to equity holders of the Parent Company divided by the weighted average number of ordinary shares in the reporting period. Diluted net profit/(loss) per share is equal to basic profit/(loss) as there are no instruments that dilute net profit/(loss) per share. The calculation of basic and diluted profit (loss) per share, together with a reconciliation of the diluted weighted average number of shares, is set out below.

Details in the statement of comprehensive income.

8. Cash flows

The following adjustments were made to profit (loss) before tax to determine cash flow from operations:

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Adjustments:		
Depreciation and write-downs for tangible fixed assets	70,876	66,174
Depreciation and write-downs for intangible assets	16,250	10,492
Change in fair value of investment real estate	-	-
Profit (loss) on financial assets (liabilities) recognised in their fair value through the financial result	-171	-13,398
Cash flows securing instruments transferred from the capital	-571	-3,761
Impairment write-downs on financial assets	-	-
Profit (loss) on sales of non-financial fixed assets	-312	-177
Profit (loss) on sale of financial assets (other than derivatives)	-	-
Profit (loss) on exchange rate differences	618	4,993
Interest expense	35,287	27,438
Revenue on interests and dividends	-905	-2,946
Cost of share-based payments (incentive schemes)	-	-
Share of profits (losses) of affiliates	-	-
Other adjustments	8,400	-13,838
Adjustments total	129,472	74,977
Movement of inventories	87,759	68,362
Movement of receivables	26,504	53,104
Movement of liabilities	-136,084	-61,440
Movement of reserves, prepayments and accruals	7,553	8,535
Movement in contractual assets and liabilities	-	-
Changes in the working capital	-14,268	68,561

For the purpose of preparing the consolidated statement of cash flows, the Group classifies cash in the manner adopted for presentation in the statement of financial position. The difference in cash reported in the statement of financial position and the statement of cash flows is influenced by:

	31.12.2024	31.12.2023
Cash and cash equivalents as shown in the statement of financial position	**78,909**	**90,568**
Adjustments:		
Exchange rate differences on balance sheet valuation of cash in currency	-8,738	12,860
Other	-	-
Cash and cash equivalents reported in CF	**87,647**	**77,708**

9. Explanatory notes to the statement of financial position

9.1. Goodwill, tangible and intangible assets

9.1.1. Goodwill

Accounting rules

After initial recognition, goodwill is presented according to acquisition price decreased by all accumulated impairment write-offs. The impairment test is conducted once a year or more often, if needed.

Professional assessment and estimates

The following elements of assets are subject to the annual impairment test:

- *goodwill, where the first impairment test is conducted until the end of the period when the merger took place,*
- *intangible assets with unspecified useful life, and*
- *intangible assets which are not used yet.*

In reference to the remaining elements of intangible assets and tangible fixed assets, an annual assessment is conducted whether there were any prerequisites suggesting their impairment. In the case of stating that any events or circumstances may indicate problems in recovering the value of a given element of assets, an impairment test is conducted.

In order to conduct the impairment test, the assets are grouped at the lowest level where they generate cash flows independently from other assets or groups of assets (the so called centres generating cash flows). The elements of assets independently generating cash flows are tested individually.

Goodwill is allocated to the centres generating cash flows where the synergy benefits are expected from combination of business entities and the centres generating cash flows are at least operating segments.

If the presented value exceeds the estimated recoverable value of assets or centres generating cash flows where such assets belong, then that value is decreased to the level of recoverable value. The recoverable value corresponds to the higher of the two values: fair value decreased by costs of sale or useful value. While estimating the useful value, the estimated future cash flows are discounted to their current value using the discount rate which reflects the current market estimation of cash value in time and the risks connected with a given element of assets.

Impairment write-offs are first assigned to goodwill. The remaining amount of write-offs proportionally decreases the value of the assets included in the centre generating cash flows.

Impairment write-downs are included in the result in the operating costs item.

Goodwill write-downs are not subject to reversion in the following periods. In the case of other elements of assets, prerequisites suggesting the possibility of reversing write-downs are assessed as at the following reporting dates. Write-down reversal is included in the result in the operating revenues item.

Changes in goodwill during the periods covered by the consolidated financial statements are shown in the table:

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Gross value		
Balance at the beginning of the period	63,987	63,987
Merger of companies	-	-
Sale of subsidiaries (-)	-	-
Net exchange differences on translation	-	-
Other adjustments	-	-
Gross value at the end of the period	-	-
Impairment write-offs		
Balance at the beginning of the period	-	-
Write-downs recognised as an expense in the period	-	-
Net exchange differences on translation		-
Other changes	-	-
Balance of write-downs at the end of the period	-	-
Goodwill - value at the end of the period	**63,987**	**63,987**

The goodwill presented in assets relates to the acquisitions of the following subsidiaries:

	31.12.2024	31.12.2023
OOO Wielton Ukraina	6	6
Lawrence David Ltd	63,981	63,981
Goodwill total	**63,987**	**63,987**

For the annual impairment test, goodwill is allocated to cash-generating units that are also separate operating segments. The allocation of goodwill to the segment is as follows:

	31.12.2024	31.12.2023
Road transport products	63,987	63,987
Goodwill total	**63,987**	**63,987**

	Growth rate		Discount rate	
	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Road transport products	3.0%	2.5%	6.7%	8.9%

The recoverable value of the centre, which is also the Road Transport Products segment, amounted to PLN 63,987 thousand.

With respect to the Road Transport Products segment, the Parent Company's Management Board believes that it is not likely that the key assumptions used in estimating the value in use of the units will change in such a way that the recoverable amount of the units would be less than their value presented in the statement of financial position. The estimate is based on a prepared five-year cash flow projection. The forecast was prepared on the basis of budgets prepared by management and the historically observed dynamics of individual performance items.

Assessing the use value of the following segment: The road transport products are susceptible to a change in the discount rate and growth rate after the detailed forecast period. An analysis of the sensitivity of the estimates to a change in the assumptions made is presented in the table below.

The table presents the level of discount rate at which the recoverable amount of assets entering the entities will equal their reported value, with the other assumptions used to determine value in use remaining unchanged. Similarly, the growth rate level presented determines the recoverable amount of assets entering the entities at their book value, with all other assumptions unchanged. The effect of a change in the discount rate on the amount of goodwill impairment recognised is also discussed in the accounting policies chapter in the subsection on estimation uncertainty.

	Discount rate	**Growth rate**
Road transport products	37.0%	3.0%

The Group has not recognised any goodwill impairment in 2024.

9.1.2. Intangible assets

Accounting rules

Intangible assets include trademarks, patents, licences, computer software, costs of development works and other intangible assets meeting the inclusion criteria specified in IAS 38. That item contains also intangible assets which have not been yet put to use (intangible assets in production). As at the reporting date, intangible fixed assets are recognised at purchase price or manufacturing cost decreased by remission and impairment write-downs. Intangible assets with specified utilisation period are depreciated using the straight line method for their economic utilisation period and subject to impairment tests always when there are prerequisites indicating their impairment. The utilisation periods of specific intangible assets are subject to annual reviews and adjusted from the beginning of the next accounting year, if needed. Changes in the expected utilisation period or expected method of consumption of commercial benefits from a given element of assets are recognised, as appropriate, by changing the period or method of depreciation and treated as changes of estimated values.

The predicted utilisation period for specific groups of intangible assets is as follows:

Group	***Period***
Patents and licences	*5 years*
Costs of completed development works	*1.5 – 5 years*
Computer software	*2 – 10 years*
Other intangible assets	*1 – 5 years*

Depreciation write-offs for components of intangible assets with a specified useful life are recognised in profit or loss in the expense of the category which is consistent with the function of a given component of intangible assets.

Intangible assets with unspecified useful life are not depreciated but subject to annual impairment tests. Intangible assets held by the Group with unspecified useful life include figurative trademarks. Costs connected with maintenance of software incurred in the later periods, are recognised as costs of the period when they were incurred.

The costs of research works are included in the result at the moment they were incurred. The Group's companies conduct development works connected with new structures, technologies and preparation of new products which will be equipped with innovative solutions. Development works allow implementation of production of new structures and products of Wielton brand. Expenses directly related to the development works are included as intangible assets only when the following criteria are met:

- *completion of an element of intangible assets is technically feasible so that it can be used or sold,*
- *The Group intends to complete the element and its use or sale,*
- *The Group is able to use or sell the element of intangible assets,*

- *the element of intangible assets will bring commercial benefits and the Group can prove such benefits among others through existence on the market or usability of the element of assets for the needs of the Group,*
- *the Group has access to technical, financial and other measures necessary to complete development works in order to sell or use the element of assets,*
- *expenses incurred for development works can be reliably estimated and assigned to a given element of intangible assets.*

Expenses incurred for development works performed within a given undertaking are transferred to the next period if it can be assumed that they will be recovered in the future. Assessment of future benefits takes place on the basis of the rules specified in IAS 36. After initial inclusion of the expenses for development works, the historical cost model is used, in accordance with which the elements of assets are recognised according to their purchase price or manufacturing cost decreased by accumulated depreciation and accumulated impairment write-downs. Completed development works are depreciated using straight line method for the predicted period of obtaining benefits which is by average 1-5 years. Profits or losses arising from disposal of intangible assets are defined as the difference between sales revenues and net value of those intangible assets and are recognised in the result in other operating revenues or costs.

Professional assessment and estimates

The Group tests fixed assets for impairment if there are indications of impairment. This requires an estimate of the value in use of the cash-generating unit to which these assets belong. Estimating value in use involves determining the future cash flows generated by a cash-generating unit and requires the determination of a discount rate to be used to calculate the present value of those cash flows. In accordance with IAS 36, the Group tests trademarks for impairment by comparing the book value of the marks with their recoverable amount.

In the current reporting period, the Group used a discount rate of 7.9% for the Viberti marks, 6.7% for Lawrence David, 7.4% for Guillén, 6.3% for Fruehauf, 6.8% for Langendorf, 6.8% for Wielton GmbH, and 9.4% for Wielton S.A. in order to calculate the present value of the cash flows. Based on the test carried out, it was concluded that it was not necessary to recognise write-downs for the trademark, the recoverable value of the trademark significantly exceeded the value of the trademark on the books. A 1pp increase in the discount rate would also not result in a write-down.

Intangible assets used by the Group include trademarks, patents and licences, customer relationships, computer software, internally generated development work and other intangible assets. Intangible assets that have not been placed in service by the reporting date are presented under "Intangible assets in progress".

Data for the period from 01.01.2024 to 31.12.2024

	Trademarks	Patents and licences	Computer software	Costs of development works	Other intangible assets	Intangible assets in progress	Total
Net value at the beginning of the period	**47,178**	**2,317**	**18,748**	**17,398**	**29,262**	**98,241**	**213,144**
Adjustments to comparative data resulting from misclassification	-	-	-	-	-	-29,091	-29,091
Net value at the beginning of the period after transformation	**47,178**	**2,317**	**18,748**	**17,398**	**29,262**	**69,150**	**184,053**
Increase due to assuming control over a subsidiary	-	-	-	-	-	-	-
Increases (acquisition, production, lease)	-	89	823	14,601	414	61,776	77,703
Decreases (disposal, liquidation) (-)	-	-	-	-194	-	-207	-401
Other changes (reclassification, transfer etc.)	-	-	6	-2,640	-	-15,927	-18,561
Reclassification to non-current assets held for sale (-)	-	-	-	-	-	-	-
Depreciation (-)	-	-657	-4,566	-7,950	-3,077	-	-16,250
Impairment write-offs (-)	-	-	-	-	-	-	-
Reversal of impairment write-offs	-	-	-	-	-	-	-
Exchange differences on translation (+/-)	38	-36	-155	-49	211	38	47
Net value at the end of the period	**47,216**	**1,713**	**14,856**	**21,166**	**26,810**	**114,830**	**226,591**

Net value at the beginning of the period after transformation* - presentation correction was made due to the original misclassification of the hydroforming project as an intangible asset. The result of the completed investment is a process line for the production of innovative trailer components, not just documentation of the process. Accordingly, the expenditure incurred on the project should qualify as construction in progress rather than intangible assets in the course of production.

Data for the period from 01.01.2023 to 31.12.2023

	Trademarks	Patents and licences	Computer software	Costs of development works	Other intangible assets	Intangible assets in progress	Total
Net value at the beginning of the period	**50,377**	**740**	**15,138**	**10,208**	**32,005**	**28,001**	**136,469**
Increase due to assuming control over a subsidiary	-	-	-	-	-	-	-
Increases (acquisition, production, lease)	-	1,976	7,611	13,481	423	98,235	121,726
Decreases (disposal, liquidation) (-)	-	-	-	-	-	-4,269	-4,269
Other changes (reclassification, transfer etc.)	-	-79	-	-288	-	-23,492	-23,859
Reclassification to non-current assets held for sale (-)	-	-	-	-	-	-	-
Depreciation (-)	-	-198	-3,179	-5,953	-1,162	-	-10,492
Impairment write-offs (-)	-	-	-	-	-	-	-
Reversal of impairment write-offs	-	-	-	-	-	-	-
Exchange differences on translation (+/-)	-3,199	-122	-822	-50	-2,004	-234	-6,431
Net value at the end of the period	**47,178**	**2,317**	**18,748**	**17,398**	**29,262**	**98,241**	**213,144**

The most significant items of intangible assets in progress as at 31 December 2024 are:

- development work on the development of prototypes and construction documentation for semi-trailers - PLN 20,683 thousand (PLN 17,490 thousand as at 31 December 2023) and development work on the development of a new production line for refrigerated van-type semi-trailers - PLN 8,056 thousand (PLN 7,048 thousand as at 31 December 2023),
- software worth PLN 16,772 thousand (as at 31 December 2023: PLN 364 thousand),
- approvals, the value of which amounted to PLN 1,098 thousand (as at 31 December 2023, it was PLN 445 thousand),
- property rights, the value of which amounted to PLN 402 thousand (as at 31 December 2023, it was PLN 368 thousand).

On the basis of the analyses and budgets carried out, the Management Board found no indication of impairment of intangible assets in the course of production and completed development work.

The Group uses intangible assets with indefinite useful lives in its operations, i.e. trademarks (see section on accounting policies). Trademarks are not depreciated by the Group only subject to impairment testing. The book value of trademarks with an indefinite useful life amounted to PLN 47,216 thousand; The Group has analysed the IAS factors and concluded that there is no indication that the economic useful life is finite. Therefore, no depreciation is charged. On the other hand, the Group performs an annual impairment test on trademarks.

In the current reporting period, the Group carried out its annual impairment test on these components, which did not indicate a need for an impairment loss.

The recoverable value of the centre, which is also the Road Transport Products segment, was determined through value in use, using discount rates ranging between 6.3% and 9.4%, amounting to 343,803 thousand.

9.1.3. Tangible fixed assets

Accounting rules

A given item of tangible fixed assets may be removed from the statement on the financial status after its disposal or if no commercial benefits are expected to arise from further use of such element of assets. Any gain or loss arising from the derecognition of an asset from the statement of financial position (calculated as the difference between the net disposal proceeds, if any, and the book value of the item) is recognised in profit or loss of the period in which the derecognition occurs.

Started investments concern fixed assets in construction or in assembly and are recognised according to purchase prices or manufacturing costs, decreased by the possible impairment write-offs. Fixed assets in construction are not subject to depreciation until completion of construction and putting a given fixed asset to use.

Tangible fixed assets are initially recognised at purchase price or manufacturing cost. The purchase price is increased by all costs directly related to the purchase and adaptation of the component of assets to a condition required for use. The cost also includes the costs of replacing the components of machines and devices at the moment it was incurred, if the recognition criteria are met.After the initial inclusion, tangible fixed assets are recognised at purchase price or manufacturing cost decreased by remission and impairment write-downs. Tangible fixed assets in manufacture are not subject to depreciation until completion of construction or assembly and putting a given fixed asset to use.

Depreciation is calculated using straight line method through the estimated period of use of a given element of assets which is as follows for the specific groups of fixed assets:

Group	***Period***
Land	*Not depreciated.*
Buildings and structures	*15 – 65 years*
Machinery and equipment	*2 – 22 years*
Transportation means	*2.5 – 13 years*
Other fixed assets	*2 – 12 years*

Depreciation starts from the month following the month when the fixed asset was put to use. Commercial useful lives and depreciation methods are verified once a year resulting in adjustment of depreciation write-offs in the following years, if needed. Depreciation of fixed assets includes a simplification comprising a single write-off into the costs of depreciation of fixed assets and intangible assets with low initial value (from PLN 1,500 to PLN 3,500) in the month when they were put to use. Fixed assets with the value up to PLN 1,500 are included in the costs once. Qualification of such assets and values into a single depreciation write-off is made in accordance with the related external regulations.

The current costs of maintenance incurred after a fixed asset was put to use, such as costs of repairs and services, are included at the moment they were incurred.

A given item of tangible fixed assets may be removed from the statement on the financial status after its disposal or if no commercial benefits are expected to arise from further use of such element of assets. Profits or losses arising from sale, liquidation or termination of use of fixed assets are defined as the difference between sales revenues and net value of those fixed assets and are recognised in the result in other operating revenues or costs.

External financing costs The costs of financing which can be directly assigned to acquisition, construction or manufacture of the adjusted element of assets are activated as a part of the purchase price or manufacturing cost of that element of assets. The borrowing costs include interest calculated using the effective interest rate method and profits or losses from exchange rate differences to the amount adjusting the costs of interest. The above rules are applied prospectively by the Group starting from 1 January 2009.

Professional assessment and estimates *Depreciation rates are determined on the basis of the expected economic useful life of tangible and intangible assets. The Group revises the assumed economic useful lives annually on the basis of current estimates.*

Data for the period from 01.01.2024 to 31.12.2024

	Land	Buildings and structures	Machinery and equipment	Transportation means	Other fixed assets	Tangible fixed assets in progress	Total
Net value at the beginning of the period	85,492	**221,560**	**163,792**	**32,422**	**19,469**	**84,761**	**607,496**
Adjustment to comparative data resulting from misclassification	-	-	-	-	-	**29,091**	**29,091**
Net value at the beginning of the period after transformation*	**85,492**	**221,560**	**163,792**	**32,422**	**19,469**	**113,852**	**636,587**
including:							
impact of IFRS 16 implementation	*7,464*	*19,911*	*-*	*11,599*	*36*	*-*	*39,011*
Net value at the beginning of the period after IFRS 16	**85,492**	**221,560**	**163,792**	**32,422**	**19,469**	**113,852**	**636,587**
Increases (acquisition, production, lease)	7,369	65,922	58,533	13,511	8,413	113,424	267,172
including:							
impact of IFRS 16 implementation	*601*	*42,759*	*-*	*5,634*	*1,614*	*-*	*50,608*
Increase due to assuming control over a subsidiary	-	-	-	-	-	-	-
Reclassification to non-current assets held for sale (-)	-	-	-	-	-	-	-
Decreases (disposal, liquidation) (-)	-8	-	-267	-2,056	-135	-456	-2,922
Other changes (reclassification, transfer etc.)	568	1	417	-46	-1,004	-160,328	-160,392
Revaluation to fair value (+/-)	-	-	-	-	-	-	-
Depreciation (-)	-1,940	-17,393	-33,813	-10,821	-6,906	-3	-70,876
including:							
impact of IFRS 16 implementation	*-1,818*	*-6,469*	*-*	*-6,622*	*-279*	*-*	*-15,188*
Impairment write-offs (-)	-	-	-16	-	-	-94	-110
Reversal of impairment write-offs	-	-	-	-	-	1,468	1,468
Exchange differences on translation (+/-)	802	-938	-3,217	88	2,300	-75	-1,040
including:							
impact of IFRS 16 implementation	*-*	*-137*	*-*	*-50*	*-*	*-*	*-187*
Net value at the end of the period	**92,283**	**269,152**	**185,429**	**33,098**	**22,137**	**67,788**	**669,887**
including:							
impact of IFRS 16 implementation	*6,247*	*56,064*	*-*	*10,561*	*1,372*	*-*	*74,244*

Net value at the beginning of the period after transformation* - presentation correction was made due to the original misclassification of the hydroforming project as an intangible asset. The result of the completed investment is a process line for the production of innovative trailer components, not just documentation of the process. Accordingly, the expenditure incurred on the project should qualify as construction in progress rather than intangible assets in the course of production.

Data for the period from 01.01.2023 to 31.12.2023

	Land	Buildings and structures	Machinery and equipment	Transportation means	Other fixed assets	Tangible fixed assets in progress	Total
Net value at the beginning of the period	**88,212**	**168,965**	**138,838**	**32,179**	**12,310**	**144,606**	**585,111**
including:							
impact of IFRS 16 implementation	*9,445*	*26,397*	*38*	*11,507*	*146*	-	*47,532*
Net value at the beginning of the period after IFRS 16	**88,212**	**168,965**	**138,838**	**32,179**	**12,310**	**144,606**	**585,111**
Increases (acquisition, production, lease)	2,880	68,727	63,272	14,820	12,794	109,114	271,606
including:							
impact of IFRS 16 implementation	*223*	*-451*	-	*5,859*	-		*5,630*
Increase due to assuming control over a subsidiary	-	-	-	-	-	-	-
Reclassification to non-current assets held for sale (-)	-	-	-	-	-	-	-
Decreases (disposal, liquidation) (-)	-	-	-1,383	-2,838	-77	-146	-4,444
Other changes (reclassification, transfer etc.)	-	3	1,107	344	-68	-162,492	-161,105
Revaluation to fair value (+/-)	-	-	-	-	-	-	-
Depreciation (-)	-2,284	-12,370	-32,187	-12,354	-4,915	-2,064	-66,174
including:							
impact of IFRS 16 implementation	-1,827	-6,155	-38	-7,561	-109	-	-15,690
Impairment write-offs (-)	-	-1	-296	-	-3	-2,741	-3,042
Reversal of impairment write-offs	-	34	-	-	-	-	34
Exchange differences on translation (+/-)	-3,316	-3,798	-5,559	271	-572	-1,516	-14,490
including:							
impact of IFRS 16 implementation	-376	120	-	1,795	-	-	1,539
Net value at the end of the period	**85,492**	**221,560**	**163,792**	**32,422**	**19,469**	**84,761**	**607,496**
including:							
impact of IFRS 16 implementation	*7,464*	*19,911*	-	*11,599*	*36*	-	*39,011*

The value of tangible fixed assets also includes the right-of-use assets of the underlying assets, which would be presented as tangible fixed assets.

9.1.4. Right-of-use assets

Accounting rules

The Group applies a single lease accounting model, which assumes that the lessee recognises right-of-use assets and lease liabilities for all leases except those excluded from application, i.e.: short-term leases and leases for which the underlying asset is of low value. At the beginning of the contract, the Group assesses whether the contract is or contains a lease. Under the definition of a lease in IFRS 16, an arrangement is a lease, or contains a lease, if it transfers the right to use an identified asset for a period of time in exchange for consideration. Furthermore, according to the definition, an agreement is a lease or contains a lease if the Group:

- *has the right to receive virtually all economic benefits from its use for the entire period and*
- *has the right to direct the use of the identified asset throughout its useful life.*

The Group reassesses whether an arrangement is or contains a lease only if the terms of the arrangement change. The Group has applied a single lease accounting recognition model, which assumes that the lessee recognises right-of-use assets and lease liabilities associated with all leases other than those excluded from the application of IFRS 16. In accordance with IFRS 16, the Group applies exclusions and does not recognise assets and liabilities in respect of:

a) *short-term leases - a short-term lease is a contract without the possibility of purchasing an asset, concluded for a period of less than 12 months from the start of the contract. In particular, as short-term leases, the Group considers contracts concluded for an indefinite period with a short (up to 12 months) notice period without significant penalties for any of the parties to the contract.*
b) *leases in respect of which the underlying asset is of low value. The lessee measures the value of the underlying asset based on the value of the new asset regardless of the age of the leased asset.*

For these contracts, the Group recognises lease payments as an expense on a straight-line basis over the lease term. Differences between the amounts paid and those resulting from the straight-line settlement of costs are recognised as prepaid or accrued expenses. As the selection of the short-term lease exemption should be made according to the class of the underlying asset to which the right of use relates, the Group has defined the following underlying assets:

- *premises,*
- *other real estate,*
- *machines,*
- *IT equipment,*
- *perpetual lease right to lands,*
- *other.*

The Group will apply the short-term lease exemption to all of the underlying asset classes listed above. The Group's application of the simplification obliges it to apply them throughout the standard. In the case of a contract that is or contains a lease and the class of the underlying asset under the contract is premises, and the contract states the rental value relating to the lease elements separately from the non-lease elements, the Group recognises each lease element under the contract as a lease separately from the non-lease elements. The Group values the lease component on the basis of all available information on the real rental value of the lease component. For all other contracts that constitute or contain leases and the class of the underlying asset within the contract is premises and the contract states the aggregate rental value relating to the lease and non-lease elements, the Group takes the practical expedient of not separating the non-lease elements from the lease elements and instead recognises each lease element and any accompanying non-lease elements as a single lease element. The Group recognises a right-of-use asset and a lease liability at the commencement of contracts that transfer control over the use of specific assets for a period of time. The contract commencement date is the date on which the lessor makes the leased asset available to the Group as lessee. The right-of-use asset is initially measured at cost, which includes:

- *the amount of the initial valuation of the lease liability,*
- *any lease payments paid on or before the commencement date, less any lease incentives received,*
- *any initial direct costs incurred by the lessee,*
- *an estimate of the costs to be incurred by the lessee in dismantling and removing the underlying asset or carrying out refurbishment of the site where it was located.*

Right-of-use assets are reported in the statement of financial position within tangible fixed assets. The right of perpetual usufruct of land, whether acquired against payment or received free of charge, meets the definition of a lease under IFRS 16 and is therefore recognised in the same way as other leases (as right-of-use assets and lease liabilities). In order to calculate the assets and liabilities relating to the perpetual usufruct right, the Group carries out an analysis to determine the expected time horizon of the perpetual usufruct right. Once the asset's planned useful life has been determined, the lease liability is calculated on a general basis. In the case of a perpetual usufruct right acquired against payment, the right-of-use asset is recognised on the basis of the acquisition cost determined before the date of transition to IFRS 16, which is one of the elements of the initial recognition of the right-of-use asset based on the perpetual usufruct right, recognised together with the value of the calculated liability. After the lease commencement date, the right-of-use asset is measured at cost less accumulated depreciation (amortisation) and accumulated impairment losses. If a modification of the lease agreement occurs, the value of the right-of-use asset is adjusted according to the new valuation of the lease liability (according to the changes resulting from the modification of the agreement or the updating of the discount rate). Depreciation is calculated using the straight-line method over the shorter of the periods: (1) the estimated economic life and (2) the contract period. Where a lease agreement transfers title to an asset to the Group before the end of the lease term or where the cost of the right-of-use asset reflects the fact that the Group will exercise its option to redeem the residual value of the leased asset, the Group depreciates the right-of-use asset from the commencement of the lease until the end of the estimated economic life of the asset. In other cases, the Group depreciates the right-of-use assets from the date of commencement of the contract until the earlier of the date of the end of the asset's economic life or the date of the end of the lease. The lease liability is initially measured at the present value of the lease payments outstanding at that date, which include: fixed payments less any lease incentives payable, variable lease payments that depend on an index or rate, measured initially using the index or rate in effect at the commencement date, amounts expected to be paid by the lessee under the guaranteed residual value, the exercise price of a call option if it can be assumed with reasonable certainty that the lessee will exercise the option,

- *monetary fines for lease termination if the lease terms state that the lessee can use that lease termination option.*

Variable charges that depend on external factors are excluded from the lease payments. Variable lease payments not included in the initial measurement of the lease liability are recognised directly in profit or loss. Lease payments are discounted using the interest rate of the lease contract or the Group's marginal interest rate when the interest rate of the lease contract is not readily determinable. The lease period determined by the Group includes:

- *non-cancellable lease term,*
- *periods for which a lease may be extended if it can be assumed with sufficient certainty that the Group as lessee will exercise this right,*
- *periods during which a lease may be terminated if it can be assumed with reasonable certainty that the Group as lessee will not exercise this right.*

In estimating the lease term and the length of the non-cancellable lease term, the entity applies the contract definition and determines the enforceability period of the contract. A lease ceases to be enforceable when both the lessee and the lessor have the right to terminate the lease without the permission of the other party, and without a significant penalty. After initial recognition, the Group measures lease liabilities by:

- *an increase in the book value to reflect the interest on the lease liability,*
- *a reduction in book value to take account of lease payments made and*
- *updating the book value measurement to take account of any reassessment or modification of the lease, or to take account of updated substantially fixed lease payments, including increases or decreases due to changes in indices in the case of market-indexed contracts.*

After the commencement date, unless the costs have been included in the reporting amount of another asset in accordance with other applicable standards, the lessee recognises in the profit or loss both (a) interest on the lease liability and (b) variable lease payments not included in the measurement of the lease liability in the period in which the event or condition that triggers those payments occurs.

For each type of contract, the Group has estimated the discount rate that will affect the final valuation value of these contracts. Lease payments are first discounted using the lease interest rate if this rate can be readily determined. Otherwise, the lessee applies the lessee's marginal interest rate. To determine the marginal interest rate, the Group takes into account the type of contract, the length of the contract, the currency of the contract and the potential margin it would have to pay to external financial institutions if it wanted to enter into such a transaction in the financial market. The Group has established marginal lending rates by currency appearing in the contracts and taking into account their duration according to the intervals presented below:

- *contracts for a period of 1 year (inclusive),*
- *contracts of 1 to 2 years (inclusive),*
- *contracts of 2 to 5 years (inclusive),*
- *contracts of 5 to 10 years (inclusive),*
- *contracts of over 10 years.*

For the purpose of calculating discount rates for the purposes of IFRS 16, the Group assumes that the discount rate should reflect the cost of financing that would be incurred to purchase an asset of similar value to the right-of-use asset. The 5 main currencies in which the Group enters into leases are shown below, together with the base discount rate assigned:

- *PLN with a base rate of WIBOR 1M = 0.07% for short-term periods and a government bond rate for long-term periods,*
- *EUR with a base rate of EURIBOR 1M = 0.04% for short-term periods and a government bond rate for long-term periods,*
- *GBP with a base rate of LIBOR 1M = 0.045%,*
- *UAH with a base rate of EURIBOR 1M = 0.04%,*
- *CFA with a base rate of EURIBOR 1M = 0.012%.*

The Group updates the discount rates annually, which are then used for lease calculations under IFRS 16 for a period that lasts until the next update of the discount rates.

As a lessor, the Group classifies contracts as operating or finance leases. A lease is recognised as a finance lease if substantially all the risks and rewards of ownership of the underlying asset are transferred. Otherwise, the lease is treated as operating. In the case of subleases, the assessment is made in the context of the right-of-use asset rather than the underlying asset.

The lease activity arising from the Group's right-of-use asset can be summarised in the following table 2024:

	Value of the right of use	**Redemption of the right of use**
As at 31.12.2024 Underlying asset class	**31.12.2024**	**from 01.01.2024 to 31.12.2024**
Land	6,247	1,818
Buildings and structures	56,064	6,469
Machinery and equipment	-	-
Transportation means	10,561	6,622
Other fixed assets	1,372	279
	74,244	**15,188**

The lease activity of the Group can be summarised in the following table 2023:

As at 31.12.2023 Underlying asset class	Value of the right of use 31.12.2023	Redemption of the right of use from 01.01.2023 to 31.12.2023
Land	7,464	1,827
Buildings and structures	19,911	6,155
Machinery and equipment	-	38
Transportation means	11,599	7,561
Tangible fixed assets in progress	37	109
	39,011	**15,690**

The Group does not recognise liabilities for short-term leases and leases for which the underlying asset is of low value. In addition, contingent lease payments that depend on factors other than the index or rate are not recognised in the value of lease liabilities.

Those costs amounted to:

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Interest expense	2,324	1,584
Short-term lease	5,707	5,250
Lease of low value assets	61	100
Expenses total	**8,092**	**6,934**

Total lease expenditure amounted to:

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Repayment under lease agreements	15,424	15,324
Interest repayment	2,324	1,584
Short-term lease	5,707	5,250
Lease of low value assets	61	100
Expenditures total	**23,516**	**22,258**

In 2024 there was no income from subleases of right-of-use assets.

The most important finance leases at 31.12.2024 were:

- Agreement between Langendorf Polska Sp. z o.o. and Deutsche Leasing with the object of leasing in the form of a laser (2 units) with an initial value of EUR 555,000 each, conclusion date: June 2021, maturity date: August 2027
- Agreement between Langendorf Polska Sp. z o.o. and Deutsche Leasing with the object of the contract in the form of the TruStore System with an initial value of EUR 285 thousand, date of conclusion: June 2021, maturity date: July 2027
- Agreement between Langendorf Polska Sp. z o.o. and PKO Leasing S.A. with the object of the contract in the form of a Press Durma laser with an initial value of EUR 469,000, date of conclusion: February 2022, maturity date: February 2029
- Agreement between Wielton S.A. and Deutsche Leasing with the object of the contract in the form of laser punching machines with a total initial value of PLN 9,476 thousand, conclusion date: December 2022, September 2023, maturity date: December 2027, June 2028.

- Agreement between Wielton S.A. and Deutsche Leasing with lease objects in the form of press brakes with a total initial value of PLN 6,004 thousand, date of conclusion: December 2022, maturity date: December 2027.

The most important finance leases at 31.12.2023 were:

- Agreement between Langendorf Polska Sp. z o.o. and Deutsche Leasing with the object of leasing in the form of a laser (2 units) with an initial value of EUR 555,000 each, conclusion date: June 2021, maturity date: August 2027
- Agreement between Langendorf Polska Sp. z o.o. and Deutsche Leasing with the object of the contract in the form of the TruStore System with an initial value of EUR 285 thousand, date of conclusion: June 2021, maturity date: July 2027
- Agreement between Langendorf Polska Sp. z o.o. and PKO Leasing S.A. with the object of the contract in the form of a Press Durma laser with an initial value of EUR 469,000, date of conclusion: February 2022, maturity date: February 2029
- Agreement with Unicredit Leasing GmbH with an object of contract in the form of an Axle Shuttle Machine with an initial value of EUR 700,000, conclusion date: August 2020, maturity date: August 2025
- Agreement between Wielton S.A. and Deutsche Leasing with the object of the contract in the form of laser punching machines with a total initial value of PLN 9,476 thousand, conclusion date: December 2022, September 2023, maturity date: August 2026, June 2028.
- Agreement between Wielton S.A. and Deutsche Leasing with lease objects in the form of press brakes with a total initial value of PLN 6,004 thousand, date of conclusion: December 2022, maturity date: December 2027.

9.1.5. Other information on tangible fixed assets and intangible assets

Depreciation of intangible assets was recognised in the consolidated statement of profit or loss under the following headings:

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Own cost of sales	3,660	1,631
General management costs	7,676	6,231
Cost of sales	1,272	727
Other costs	3,642	1,903
Depreciation of intangible assets total	**16,250**	**10,492**

In 2024, the Group has not recognised any impairment losses on intangible assets.

As at 31 December 2024, intangible assets did not provide security for the Group's liabilities (2023: PLN 32,443 thousand). Information on collateral for liabilities is presented in Note 9.11.1.2.

Depreciation of tangible fixed assets is included in the following items in the consolidated statement of profit or loss and statement of financial position:

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Own cost of sales	44,852	39,343
General management costs	15,865	17,705
Cost of sales	9,765	8,767
Purchase price (manufacturing cost) of other assets	394	359
Depreciation of tangible fixed assets total	**70,876**	**66,174**

In 2024, the Group recognised impairment losses on tangible fixed assets of PLN 110 thousand (in 2023: PLN 3,042 thousand).

As at 31 December 2024, tangible fixed assets worth PLN 380,574 thousand (2023: PLN 330,633 thousand) constituted collaterals of the Group's liabilities. Information on collateral for liabilities is presented in Note 9.11.1.2.

Liabilities for purchase of tangible fixed assets:

	31.12.2024	31.12.2023
Cooling panel production system	105	107
Press brake	101	103
Bending machine for aluminium beams	992	-
Welding line for trailer frames	29,848	-
PV installation of 3,319.77 kWp	126	132
Friction welding machine	-	9,656
Total	**31,172**	**9,998**

In 2024, the Group reviewed depreciation rates and made no changes to the estimated useful lives of fixed assets.

9.2. Investment properties

Accounting rules

The Group values investment properties at historical value.

	31.12.2024	31.12.2023
Value at the beginning of the period	1,010	1,010
Increase due to merger of entities	-	-
Increase due to acquisition	-	-
Activation of subsequent expenditure	-	-
Sale of a subsidiary (-)	-	-
Disposal of real properties (-)	-568	-
Other changes (reclassification, transfer etc.) (+/-)	-316	-
Revaluation to fair value (+/-)	-	-
Exchange differences on translation (+/-)	-	-
Value at the end of the period	**126**	**1,010**

As at 31 December 2024, the Group held investment properties with a value of PLN 126 thousand, consisting of properties with a value of PLN 126 thousand acquired on 28 September 2018, which will be held for sale or lease. The changes to the investment properties in 2024 are due to the acceptance into the records of the building used for Wielton S.A. and the disposal of land.

In 2024, no changes have been observed in the property market causing the purchase price to differ from fair value.

9.3. Financial assets

Accounting rules

The asset values presented in the consolidated statement of financial position relate to the following categories of financial instruments as defined in IFRS 9:

- *financial assets measured at depreciated cost,*
- *financial assets recognised in their fair value through the financial result,*
- *financial assets measured at fair value through other comprehensive income,*
- *hedging derivative instruments,*
- *assets outside the scope of IFRS 9.*

Since 1 January 2018, the Group classifies financial assets in the following categories:

- *valued according to depreciated costs,*
- *valued in their fair value through the financial result,*
- *valued in their fair value through other comprehensive income,*

Classification depends on the financial assets management model adopted by the Group and the terms of contractual cash flows. The Company reclassifies investments in debt instruments only when the management model for such assets is changed.

(ii) Debt instruments - Financial asserts measured at amortised cost

Debt instruments retained in order to collect contractual flows which include only repayment of principal and interest (SPPI - solely payment of principal and interest) are valued according to depreciated costs. Interest revenues are calculated using the effective interest rate and recognised in the "interest revenues" item of the financial result. Impairment write-offs are recognised according to the accounting rules presented in item (vi) and included in the item "impairment write-downs of financial assets".

(iii) Debt instruments - Financial assets valued in their fair value through other comprehensive income

Debt instruments whose flows constitute only payment of principal and interest and which are obtained in order to collect contractual cash flows and for the purpose of sale, are valued in their fair value through other comprehensive income. Changes of the accounting value are included through other comprehensive income, except for impairment profits and losses, interest revenues and exchange rate differences which are included in the financial result. In the case when a given element of financial assets is no longer included, the total profit or loss previously included in other comprehensive income is transferred from the equity capital to the financial result and recognised as other profits/(losses). Interest revenues on such financial assets are calculated using the effective interest rate and recognised in the "interest revenues" item. Impairment write-offs are recognised according to the accounting rules presented in item (vi) and included in the item "impairment write-downs of financial assets".

(iv) Debt instruments - Financial assets recognised in their fair value through the financial result

Assets which do not meet the depreciated cost or fair value valuation through other comprehensive income, are valued in their fair value through the financial result. In particular, the Group includes the following instruments in the above category: trade receivables subject to factoring applied regularly in order to manage liquidity when the factoring agreement terms result in termination of receivables inclusion, and loans which do not meet the SPPI requirements (i.e. cash flows from those loans do not constitute only the payment of principal and interest) because the interest rate change frequency does not correspond to the interest charging formula.

Profit or loss on valuation of debt investments to fair value is included in the financial result and recognised in the item "Profits/(losses) on changes of fair value of financial instruments" in the period when they occurred, except for interest revenues which are calculated using the effective interest rate and recognised in the "interest revenues" item.

(v) Equity instruments - Financial assets valued in their fair value through other comprehensive income

After initial recognition, the Group values all investments in equity instruments in their fair value. The Group decided to present profits and losses due to changes of the fair value of equity instruments in other comprehensive income. In the case of such choice, profits and losses due to changes of fair value are not subject to further reclassification *to the financial result at the moment when the investment stops to be recognised. Dividends from such investments are included in the financial result at the moment when the Group obtained the right to receive payment. Impairment write-offs (and their reversal) in reference to equity investments valued in fair value through other comprehensive income are not presented separately from other changes of fair value.*

(vi) Impairment of financial assets listed in items (ii) and (iii) above

The Group assesses the expected credit losses connected with debt instruments valued according to the depreciated cost and in fair value through other comprehensive income regardless whether there were any prerequisites of impairment.

In the case of short-term trade receivables which do not have a significant financing element, the Group applies a simplified approach required by IFRS 9 and values impairment write-offs in the amount of credit losses expected in the entire lifecycle of the receivable from the moment of its initial inclusion. The Group uses a write-offs matrix which is used to calculate write-offs for trade receivables included in various age intervals or termination periods.

In order to determine the expected credit losses, trade receivables have been grouped into portfolios on the basis of the similarity of the credit risk characteristics, with the classification criterion being the geographical area where the entities from the Group operate. The ratios of failure to satisfy the liability are calculated for the following intervals: (1) up to 90 days, (2) from 91 to 180 days, (3) from 181 to 360 days, and (4) over 360 days. In order to determine the general ratio of failure to satisfy the liability, a collection analysis is conducted for the last 3-5 years, using the so called migration matrix. A model applied in the migration matrix analyses repayment of invoices or their movement to another age interval. On the basis of mathematic operations (i.e. matrixes multiplication) implemented in the model, the liability failure rations are calculated for the date when the liability arose and for every other overdue interval.

The Company does not include the impact of future factors on the amount of credit losses.

Impairment write-offs are included taking into account the liability failure ratios and the balance of receivables unpaid as at the reporting date for every age analysis interval.

The Group uses three-levels model of impairment for financial assets, except for trade receivables:

- *Level 1 - balances for which the credit risk did not significantly increase since the initial recognition. The expected credit losses are defined on the basis of liability failure probability within 12 months (i.e. the total expected credit loss is multiplied by the probability that a loss will occur in the following 12 months).*
- *Level 2 - includes the balances with a significant increase of the credit risk since the initial recognition, but there are no objective prerequisites suggesting impairment, the expected credit losses are defined on the basis of probability of liability failure for the entire contractual lifecycle of a given asset,*
- *Level 3 - includes balances with an objective prerequisite of impairment.*

Financial assets are recorded, as a whole or in parts, if the Group exhausted practically all debt collection actions and assumed that recovery of the receivables cannot be reasonably expected. It is usually done when an element of assets is overdue by over 360 days.

Professional assessment and estimates

The Group has made an estimate for the recognition of the compensation receivable. The value of trade receivables is considered by the Group to be a reasonable approximation of fair value. The Capital Group has assessed receivables for impairment in accordance with its accounting policy.

As at 31.12.2024

	Depreciated cost	Fair value through other comprehensive income	Fair value through profit or loss	Hedging derivative instruments	Outside IFRS 9	Total
Long-term financial assets	**14,547**	**-**	**-**	**-**	**608**	**15,155**
Receivables	1,609	-	-	-	608	2,217
Other long-term financial assets (including loans)	12,938	-	-	-	-	12,938
Short-term financial assets	**350,075**	**-**	**-**	**-**	**136,593**	**486,668**
Receivables due to deliveries and services and other receivables	262,450	-	-	-	136,593	399,043
Derivative financial instruments	-	-	-	-	-	-
Other short-term financial assets (including loans)	8,716	-	-	-	-	8,716
Cash and cash equivalents	78,909	-	-	-	-	78,909
Category of financial assets total	**364,622**	**-**	**-**	**-**	**137,201**	**501,823**

As at 31.12.2023

	Depreciated cost	Fair value through other comprehensive income	Fair value through profit or loss	Hedging derivative instruments	Outside IFRS 9	Total
Long-term financial assets	**10,165**	**-**	**-**	**-**	**474**	**10,639**
Receivables	206	-	-	-	474	680
Other long-term financial assets (including loans)	9,959	-	-	-	-	9,959
Short-term financial assets	**506,206**	**-**	**-**	**-**	**119,776**	**625,982**
Receivables due to deliveries and services and other receivables	407,860	-	-	-	119,776	527,636
Derivative financial instruments	-	-	-	-	-	-
Other short-term financial assets (including loans)	7,778	-	-	-	-	7,778
Cash and cash equivalents	90,568	-	-	-	-	90,568
Category of financial assets total	**516,371**	**-**	**-**	**-**	**120,250**	**636,621**

9.3.1. Long-term receivables

	31.12.2024	31.12.2023
Deposits paid for other purposes	165	111
Other receivables	1,444	95
Write-downs for the value of receivables (-)	-	-
Long-term receivables excluding prepaid expenses	**1,609**	**206**
Long-term prepayments and accrued income	608	474
Long-term receivables total	**2,217**	**680**

9.3.2. Short-term receivables

	31.12.2024	31.12.2023
Financial assets (IFRS 9):		
Net receivables due to deliveries and services	273,217	420,420
Write-downs for receivables due to deliveries and services (-)	-13,020	-15,598
Net receivables due to deliveries and services	260,197	404,822
Other receivables	180	55
Write-downs for the value of other financial receivables (-)	-	-
Receivables from sale of fixed assets	901	2,275
Deposits paid for other purposes	1,172	708
Other net receivables total	2,253	3,038
Financial revenues	**262,450**	**407,860**
Non-financial assets (outside IFRS 9):		
Receivables due to taxes and other benefits	67,270	45,710
Prepayments and advances	53,262	56,886
Other non-financial receivables	1,940	2,794
Non-financial receivables	**122,472**	**105,390**
Receivables due to deliveries and services and other receivables without prepayments and accrued income	**384,922**	**513,250**
Short-term prepayments and accrued income	**14,121**	**14,386**
Short-term receivables due to deliveries and services and other receivables total	**399,043**	**527,636**

The value of trade receivables is considered by the Group to be a reasonable approximation of fair value. The Capital Group has assessed receivables for impairment in accordance with its accounting policy. Write-downs for the value of receivables, which in 2024 increased other operating revenues in the amount of PLN 2,233 thousand (in 2023, write-downs for the value of receivables charged other operating expenses in the amount of PLN 11,362 thousand).

9.3.2.1. Short-term prepayments and accrued income

Accounting rules

In the "Prepayments and accrued income" item of the assets, the Group recognises costs paid in advance for the future accounting periods which mainly include lease rents.

As at 31.12.2024

Prepayments and accruals	Short-term	Long-term	Total
Prepayments and accrued income			
Insurance	4,238	-	4,238
Software support	2,434	-	2,434
Lease rent	1,381	-	1,381
Transport costs	83	-	83
Property tax	747	-	747
Other settlements	5,238	608	5,846
Prepayments and accrued income total	**14,121**	**608**	**14,729**

As at 31.12.2023

Prepayments and accruals	Short-term	Long-term	Total
Prepayments and accrued income			
Insurance	5,544	-	5,544
Software support	2,324	-	2,324
Lease rent	2,572	-	2,572
Transport costs	564	-	564
Property tax	645	-	645
Other settlements	2,737	474	3,211
Prepayments and accrued income total	**14,386**	**474**	**14,860**

9.3.3. Movement of write-downs for the value of receivables

Movement of write-downs for the value of receivables during the period covered by the consolidated financial statements are shown in the table below:

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
As at the beginning of the period	15,598	5,674
Impact of IFRS 9 implementation	-	-
Write-downs recognised as an expense in the period	-	11,362
Dissolved write-downs included as revenue in the period (-)	-2,233	-
Used write-downs (-)	-111	-933
Assuming control over a subsidiary	-	-
Reclassification	-	-
Other changes	-234	-505
As at the end of the period	**13,020**	**15,598**

Further analysis of the credit risk of receivables, including an analysis of the age of outstanding receivables not subject to an allowance, is set out in the note below.

As at 31 December 2024, receivables with a value of PLN 217,277 thousand (31.12.2023: PLN 196,986 thousand) provided collaterals for the Group's liabilities. Information on collateral for liabilities is presented in Note 9.11.1.2.

9.3.4. Aging analysis of the receivables

The Group continuously monitors customers' payment arrears by analysing credit risk individually or within individual asset classes defined by credit risk (resulting, for example, from the industry, region or customer structure). In addition, as part of its credit risk management, the Group transacts with counterparties of proven reliability. In the opinion of the Parent Company's Management Board, the above financial assets that are not past due have not been impaired as at the respective reporting dates and can be considered to be of good credit quality. An analysis of receivables as the most significant category of assets exposed to credit risk, in terms of overdue receivables and the age structure of overdue receivables not subject to write-off, is presented in the tables below:

As at 31.12.2024

Short-term receivables	Current	Overdue	Total
Receivables due to deliveries and services	125,250	147,967	273,217
Write-downs for receivables due to deliveries and services (-)	-	-13,020	-13,020
Net receivables due to deliveries and services	**125,250**	**134,947**	**260,197**
Other receivables	2,213	40	2,253
Write-downs for the value of other receivables (-)	-	-	-
Other receivables net	2,213	40	2,253
Receivables total	**127,463**	**134,987**	**262,450**

As at 31.12.2023

Short-term receivables	Current	Overdue	Total
Receivables due to deliveries and services	232,344	188,076	420,420
Write-downs for receivables due to deliveries and services (-)	-	-15,598	-15,598
Net receivables due to deliveries and services	**232,344**	**172,478**	**404,822**
Other receivables	2,938	100	3,038
Write-downs for the value of other receivables (-)	-	-	-
Other receivables net	2,938	100	3,038
Receivables total	**235,282**	**172,578**	**407,860**

With regard to receivables due to deliveries and services, the Group is not exposed to credit risk in relation to a single significant counterparty or a group of counterparties with similar characteristics. Consequently, write-down estimates are made on a collective basis and receivables have been grouped according to the length of time they have been overdue and the geographical location of the debtor. The write-down estimate is based on a model that uses a simplified group analysis for a homogeneous portfolio and has been designed for receivables due to deliveries and services. The model uses data on invoices issued in the 3-5 years prior to the date of analysis to create an allowance matrix that establishes default rates for specific payment delays, i.e. periods of overdue. The default rates will be used to calculate the allowance for the entire receivables portfolio. The process of estimating write-offs for individual payment delays begins with an analysis of invoice repayments over the last three to five years and requires the use of data from the recipients' ledger. The model analyses the amount of each invoice and calculates a 'migration matrix', i.e. the percentage of receivables moving to the next aging or overdue bracket. Based on the mathematical operations (i.e. matrix multiplication) implemented in the model, default rates are calculated for the date when the receivable is created (i.e. when the invoice is issued) and for each subsequent overdue interval. The Expected Credit Loss ("ECL") is calculated using the following formula: Expected credit loss = Probability of impairment x Exposure at time of impairment x Impairment loss.

Country/ Region of the seller	Gross receivables due to deliveries and services	current	overdue up to 90 days	overdue from 91 to 180 days	overdue from 181 to 360 days	overdue over 360 days	Total
Poland	Value	40,583	15,098	1,904	2,450	3,553	64,588
	%ECL	0.02%	0.35%	1.12%	3.53%	10.84%	
EU	Value	80,014	66,225	36,648	5,032	1,808	189,727

	%ECL	0.37%	1.26%	3.72%	34.76%	40.27%	
Eastern Europe	Value	786	688	191	8	1,574	3,247
	%ECL	6.49%	12.43%	36.90%	16.53%	63.04%	
Other	Value	11,332	172	3	404	4,673	16,584
	%ECL	-0.16%	0.00%	0.00%	0.00%	0.00%	

The calculation and measurement of expected credit losses in respect of trade receivables is an area that requires considerable judgement in the selection of appropriate methodology, models and inputs. The Group mainly uses historical information from its accounting systems in its models and does not adjust default rates calculated on the basis of historical data for the impact of future factors due to the lack of reliable information on the impact of such factors. A 10% increase or decrease in default rates as a result of the effect of future factors applied to estimate expected credit losses as at 31 December 2024 would result in an increase or decrease in expected credit losses of PLN 1,303 thousand (PLN 1,560 thousand as at 31 December 2023), respectively.

The credit risk of cash and cash equivalents, marketable securities, loans granted and derivative financial instruments is considered negligible due to the high reliability of the counterparties to the transactions, which mainly include banks.

9.4. Other assets

As at 31.12.2024

Other financial assets	Short-term	Long-term
Financial assets measured at depreciated cost:		
Loans	1,475	8,664
Other	7,241	4,274
Financial assets measured at depreciated cost	**8,716**	**12,938**

As at 31.12.2023

Other financial assets	Short-term	Long-term
Financial assets measured at depreciated cost:		
Loans	1,350	8,834
Other	6,428	1,125
Financial assets measured at depreciated cost	**7,778**	**9,959**

The loans granted comply with the relevant requirements of IFRS 9 and are measured at depreciated cost using the effective interest rate method. The value of the loans is considered to be a reasonable approximation of fair value.

The features of loans are presented in the table below:

As at 31.12.2024	Currency	Value in the currency	Value in PLN	Interest rate	Due date
variable interest loan	PLN	-	565	WIBOR3M	30.09.2025
variable interest loan	PLN	-	264	WIBOR3M + margin	30.09.2025
variable interest loan	EUR	2,028	8,664	EURIBOR12M + margin	31.12.2033

variable interest loan	PLN	-	646	WIBOR1M+margin	30.09.2025
Loans as at the end of the period			**10,139**		

As at 31.12.2023	Currency	Value in the currency	Value in PLN	Interest rate	Due date
variable interest loan	PLN	-	562	WIBOR3M	31.12.2023
variable interest loan	PLN	-	247	WIBOR3M + margin	31.12.2023
variable interest loan	EUR	2,018	8,772	EURIBOR12M + margin	01.06.2025
variable interest loan	PLN	-	603	WIBOR1M+margin	31.12.2023
Loans as at the end of the period			**10,184**		

The change in the value of loans, including impairment losses, is as follows:

	31.12.2024	31.12.2023
Gross value		
Gross value at the beginning of the period	**10,184**	**8,792**
Business combinations		
Amount of loans granted in the period	-	5,284
Interest charged on effective interest rate	133	228
Repayment of loans with interest (-)	-27	-3,442
Sale of subsidiaries (-)	-	-
Other changes (reclassification, transfer etc.) (+/-)	-	-
Exchange differences on translation (+/-)	-151	-678
Gross value at the end of the period	**10,139**	**10,184**
Impairment write-offs	-	-
Balance at the beginning of the period	**-**	**-**
Write-downs recognised as an expense in the period	-	-
Dissolved write-downs included as revenue in the period (-)	-	-
Used write-downs (-)	-	-
Other changes	-	-
Impairment write-offs at the end of the period	-	-
Value at the end of the period	**10,139**	**10,184**

The Group did not make a write-down for the value of loans.

9.4.1. Reclassifications

The Capital Group did not reclassify the elements of financial assets which would cause a change in the recognition rules of those assets between fair value and purchase price or depreciated cost method.

9.4.2. Exclusion from the statement of the financial position

At 31 December 2024, the Group had no financial assets whose transfers do not qualify for exclusion from the statement of financial position

9.5. Inventories

Accounting rules

Inventories are valued at the lower of two values: purchase price/manufacture cost or net realisable value. The purchase price or manufacture cost contains the costs of purchase, processing and other costs incurred while achieving the current status and location of the inventories. The costs of manufacturing finished products and production in progress include direct costs (mainly materials and labour) increased by the charges of indirect manufacture costs determined with an assumption of normal use of production capacity. Valuation of the status and outflows of tangible elements of current assets is made using the following methods:

- *in reference to material inventories, the permanent book prices are applied, as determined at the level of purchase prices adjusted by deviations constituting the difference between the permanent book price and the actual purchase price. At the end of every month, the deviations are settled between used materials and materials retained in the inventory. Deviations concerning material inventories adjust the status of materials in the statement on the financial situation levelling them to the purchase prices, trade goods are recognised in acquisition price, finished products, semi-finished products and goods in production are recognised with fixed book prices determined on the basis of the planned manufacture cost. The difference between the planned costs and the actual costs is recorded on the deviations account which are settled at the end of every month between outflows and inventories of finished products, semi-finished products and goods in production. In the statement on the financial situation, finished products, semi-finished products and goods in production are presented in the actual manufacture cost. Net value which can be obtained means an estimated sales price determined during ordinary course of business, decreased by the costs of finishing and the costs necessary to complete the sales. The manufacture costs do not include:*
- *costs resulting from unused production capacity and production losses,*
- *general management costs,*
- *costs of storage of finished products and semi-finished products,*
- *costs of products sales.*

These costs affect the financial result of the accounting period when they were incurred. The value of tangible elements of current assets which lost their usable features or usability is determined not later than on the reporting date using the net sales prices which are possible to be obtained. The net sale price of an element of assets is a sale price without VAT and excise tax, achievable as at the reporting date, reduced by rebates, discounts and similar decreases and the costs related to adjustment of the asset for sale and conducting that sale, increased by target donation. Write-downs of tangible elements of current assets made in relation to their impairment and arising from valuation according to net sales prices, instead of purchase prices or manufacture costs, are recognised as the costs of the period. In the case of termination of the reason of the write-down, the total or partial restoration of value of the inventory increases operating revenues not later than at the reporting date.

Professional assessment and estimates

The Group makes estimates of write-downs on inventories.

The following inventory items are included in the Group's consolidated financial statements:

	31.12.2024	31.12.2023
Materials	202,834	228,161
Finished products	124,390	159,220
- sold products that can be subject to repurchase	*13,509*	*13,158*
Semi-finished products and work in progress	55,011	72,532
Goods	16,139	6,399
Inventories total	**398,374**	**466,312**

In 2024, the Group recognised in the operating activity of the consolidated statement of profit or loss the costs of inventories sold and unallocated indirect production costs totalling PLN 1,877,878 thousand (2023: PLN 2,765,346 thousand). Inventory write-downs charged to the operating expenses of the consolidated statement of profit or loss in 2024 amounted to PLN 468 thousand (2023: PLN 8,405 thousand).

As at 31 December 2024, inventories with a value of PLN 186,063 thousand (31.12.2023: PLN 232,949 thousand) provided collaterals for the Group's liabilities. Information on collateral for liabilities is presented in Note 9.11.1.2.

	31.12.2024	31.12.2023
As at the beginning of the period	15,723	9,402
Assuming control over a subsidiary	-	-
Write-downs recognised as an expense in the period	468	8,405
Reversed write-downs in the period (-)	-8,616	-2,098
Other changes (net translation differences)	-87	14
As at the end of the period	**7,488**	**15,723**

Type of collateral	31.12.2024	31.12.2023
Registered pledge on a set of movables - inventories (materials, semi-finished and work-in-progress and finished products) Wielton S.A., Wielton Agro Sp.z o.o., Aberg Service Sp.z o.o.	186,063	195,500
Pledge on inventories of Lawrence David Limited (debenture)	-	37,449
Total:	**186,063**	**232,949**

9.6. Fair value of financial instruments

Fair value movement in financial liabilities and assets

Fair value of financial liabilities and assets are approximately equal to their carrying amount. The manner of determining fair value of the financial instruments was presented in the last annual consolidated financial statements of the Group.

As at 31 December 2024, the Group did not have open derivative financial instruments.

Reclassification of financial assets

The Capital Group did not reclassify the elements of financial assets which would cause a change in the recognition rules of those assets between fair value and purchase price or depreciated cost method.

A comparison of the carrying amount of financial assets and liabilities with their fair value is as follows:

Class of financial instrument	31.12.2024		31.12.2023	
	Fair value	Carrying amount	Fair value	Carrying amount
Assets:				
Loans	10,139	10,139	10,184	10,184
Receivables due to deliveries and services and other	262,450	262,450	407,860	407,860
Derivative financial instruments	-	-	-	-
Debt securities	-	-	-	-
Shares of affiliated entities	-	-	-	-
Shares of unlisted entities	-	-	-	-
Units of investment funds	-	-	-	-
Other classes of other financial assets	-	-	-	-
Cash and cash equivalents	78,909	78,909	90,568	90,568
Liabilities:				
Loans on loan account	257,048	257,048	167,164	167,164
Loans on current account	223,094	223,094	210,390	210,390
Loans	35,533	35,533	58,707	58,707
Debt securities	65,898	65,898	17,411	17,411
Financial lease	110,398	110,398	69,242	69,242
Derivative financial instruments	-	-	-	-
Liabilities due to deliveries and services and other	414,678	414,678	584,760	584,760

9.7. Derivative instruments and collaterals

Accounting rules

Derivative instruments used by the Group in order to secure itself against the risk connected with exchange rates and interest rates fluctuations, include mainly forward currency contracts. Such derivative financial instruments are evaluated in their fair value. Derivative instruments are recognised as assets when their value is positive, and as liabilities when their value is negative. Profits and losses due to changes of fair value of derivative instruments which do not meet the requirements of the hedge accounting are directly referred to the net profit or loss of the accounting year. Fair value of forward contracts is determined through reference to the current forward rates at the contracts with similar maturity dates. Fair value of interest rate swap contracts is determined on the basis of the valuation model taking into account observable market data, in particular the current forward interest rates.

In the hedge accounting, hedging is classified as:

- *hedging of fair value protecting against the risk of fair value change for the included element of assets or liabilities, or*
- *hedging of cash flows protecting against changes of cash flows which can be assigned to a specific type of risk connected with the included element of assets, liability or forecasted transaction, or*
- *hedging of shares in net assets in foreign entities.*

Hedging of currency risk of a firm commitment is settled as cash flow hedging. At the moment of establishing the hedging, the Group formally indicates and documents the hedging relation and the risk management purpose and the hedging establishment strategy. The documentation contains identification of the hedging instrument, the hedged item or transaction, the nature of the hedged risk and the method of assessment of effectiveness of the hedging instrument in compensation of the risk of fair value changes of the hedged item or cash flows connected with the hedged risk. It is expected that hedging will be highly effective in compensating changes of fair value or cash flows resulting from the hedged risk. Effectiveness of hedging is regularly assessed in order to check whether it is highly effective in all accounting periods for which it was established. In the case of modification of the contractual conditions of a financial liability which does not result in ceasing to recognise the existing liability, profit or loss is immediately included in the financial result. Profit or loss is calculated as a difference between the current value of modified and original cash flows discounted using the original effective interest rate of the liability.

Cash flow hedging

Cash flows hedging means hedging against cash flows variability which can be assigned to a specific type of risk connected with a recognised element of assets or liability of highly probable planned transaction and which could affect profit or loss. A part of profits or losses connected with hedging instrument which constitutes effective hedging is included in other comprehensive income and ineffective part is included in operating profit or loss.

If the hedged planned transaction later results in recognition of an element of financial assets or financial liability, the related profits or losses which were recognised in other comprehensive income and accumulated in the equity capital are transferred to the profit and loss account in the same period or in the periods when the acquired element of assets or assumed liability affect profit or loss.

If hedging of the planned transaction later results in recognition of an element of non-financial assets or non-financial liability, or if the planned transaction connected with an element of non-financial assets or non-financial liability becomes a firm commitment which will be subject to fair value hedging, then the profits or losses which were recognised in other comprehensive income are reclassified from the equity capital to profit or loss in the same period or periods when the acquired element of non-financial assets or assumed liability affect profit or loss.

Profits or losses arising as a result of changes of fair value of derivative instruments which do not meet the requirements allowing application of hedge accounting rules are recognised directly in the financial result for the current period.

The Group ceases to apply the hedge accounting rules if a hedging instrument expired or was sold, its use was terminated or it was executed, or if hedging ceased to meet the requirements allowing application of the hedge accounting rules to it. In such case, the total profit or loss on the hedging instrument which were recognised in other comprehensive income and accumulated in the equity capital are still recognised in the equity capital until the moment of the planned transaction. If the Group stopped expecting that the planned transaction is going to be completed, the total profit or loss accumulated in the equity capital are recognised in operating profit or loss for the current period.

9.7.1. Trade derivative instruments

The Group uses derivative instruments in order to minimise the risk of exchange rate changes which are used to denominate some of sale and purchase transactions. Some of derivative instruments, although they secure the Group against the exchange rate risk from the economic point of view, do not officially constitute hedging instruments within the meaning of IFRS 9 so they are treated as instruments designated for trading (trade derivative instruments).

All derivative instruments are recognised in their fair value determined on the basis of the data from the market (exchange rates, interest rates). Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in a transaction conducted on normal terms between market participants at the measurement date. The Capital Group did not value financial assets and liabilities - the value of trade receivables is considered by the Group to be a reasonable approximation of fair value.

Hedge accounting

The Group manages the risk of changes in cash flows arising from foreign currency transactions through FX Forward, FX Swap derivatives and, in specific cases, also through other financial instruments such as loans. The economic effect of using these instruments is to hedge the risk of exchange rate volatility. The Group enters into hedging relationships (cash flow hedges) to reduce the impact of volatility in the valuation of financial instruments on profit or loss due to changes in exchange rates.

As part of its Currency Risk Management Policy, the Group has defined the level of hedging as a system of internal limits (risk appetite), taking into account the volatility of exchange rates in the market, setting the level of maximum net exposure as open and has set a maximum level of exchange rate deviation per day or month. Mandatory hedging of the remainder of the exposure is carried out. In the absence of provisions to the contrary in the relevant strategy, hedging may be done up to 100% of the open position.

Currency risk, in particular relating to the EUR/PLN and GBP/PLN pairs, can be hedged.

As at 31 December 2024, the Group had no active forward contracts in its portfolio.

The Group has a long foreign currency position in EUR from operating activities resulting from the excess of sales revenue in EUR or indexed to the EUR/PLN exchange rate over operating expenses incurred in EUR or indexed to the EUR/PLN exchange rate.

The Group assumes a sustained surplus of sales revenues in EUR over costs incurred in EUR in the future or an increase in this surplus resulting from the growth of the Group's business in Western Europe.

Using a natural hedging strategy as an instrument to limit its exposure to foreign exchange risk, the Group also obtains funding in the currency corresponding to its long foreign exchange position from operations.

In order to reflect in the financial statements how foreign currency financing reduces currency exposure, the Group establishes a hedging relationship in the cash flow hedging model.

The essence of the hedge is to neutralise the impact of exchange rate differences on the repayment of EUR financing in conjunction with exchange rate differences on sales revenue, and then to present the effect of the hedge in financial revenue/expenses.

In the period under review, the hedging instrument comprises future cash flows from capital repayments on loan commitments in EUR, hedging future revenues denominated in EUR in the amount of EUR 30,461 thousand.

Within the framework of the link established, the planned transactions will take place and will affect the net result during the repayment periods of the individual loan and commitment instalments, i.e. from November 2025 to December 2025.

9.8. Cash and cash equivalents

Accounting rules

Cash and cash equivalents include cash at hand and on the bank accounts, deposits payable on demand and short-term investments with high liquidity (up to 3 months) easily exchangeable for cash, which are subject to insignificant value change risk.

	31.12.2024	31.12.2023
Bank accounts	62,984	62,407
Currency bank accounts	5,377	10,606
Cash at hand	1,743	1,323
Short-term deposits	8,693	16,168
Other cash and cash equivalents	112	64
Cash and cash equivalents	**78,909**	**90,568**

As at 31 December 2024, the Group held cash with limited disposability in the amount of: PLN 414 thousand.

For the purpose of preparing the consolidated statement of cash flows, the Group classifies cash in the manner adopted for presentation in the statement of financial position.

9.9. Fixed assets held for sale and discontinued operations

Accounting rules

Fixed assets (a group of fixed assets) are classified by the Group as held for sale if their reporting value will be recovered mainly as a result of sales transaction and not their further use. That condition is considered met only when an element of assets (group of assets) is available at its current status for immediate sale, maintaining the ordinary and generally applicable sales conditions, and sales transaction is highly probable within one year after the classification was changed. Fixed assets classified as held for sale are valued in the lower of the two values: reporting value or fair value decreased by sales costs. Certain fixed assets classified as held for sale, such as financial assets and assets due to deferred income tax, are value according to the same accounting rules as applied by the Group before their classification to the fixed assets held for sale. Fixed assets classified as held for sale are not subject to depreciation.

As at 31.12.2024, the Group did not have any assets classified as Fixed assets held for sale.

9.10. Equity capital

Accounting rules

The share capital is recognised in the nominal value of issued shares, in accordance with the statute of the Parent Company and the entry into the National Court Register (KRS).

The shares of the Parent Company acquired and kept by the Parent Company or consolidated subsidiaries decrease the equity capital. Own shares are valued in acquisition price.

Capital on sale of shares over their nominal value arises from the surplus of the issue price over the nominal value of shares, decreased by the costs of issue.

Other capitals may include:

- *capital due to inclusion of valuation of share based payment programmes and*
- *capital from accumulation of other comprehensive income including:*
- *overvaluation of tangible fixed assets to fair value (see item concerning tangible fixed assets),*
- *valuation of available-for-sale financial assets (see item concerning financial instruments),*
- *valuation of hedging instruments for cash flows (see item concerning hedge accounting),*
- *exchange rate differences from conversion of foreign subsidiaries (see item concerning transactions in foreign currencies),*

- *share in comprehensive income of entities valued using equity method (see item concerning investments in joint-ventures).*

Retained profits contain results from the previous years (also those transferred to the capital by resolutions of the General Meeting) and the financial result of the current year. All transactions with the owners of the Parent Company are presented separately in the "Consolidated statement of changes in the equity". The net profit per share for every period is calculated through division of net profit for the shareholders of the dominating entity for a given period by the weighted average number of ordinary shares in a given accounting period.

9.10.1. Share capital

As at 31 December 2024, the share capital of Wielton S.A. amounted to PLN 12,075 thousand and was divided into 60,375,000 shares with a nominal value of PLN 0.20 each. All shares have been fully paid-up. In 2024, the Company's share capital did not change. All shares equally participate in the distribution of dividends and each share entitles to one vote at the Company's General Meeting.

	31.12.2024	31.12.2023
Issued shares fully paid up:		
Number of shares at the beginning of the period	60,375,000	60,375,000
Issue of shares to the share-based payment programme	-	-
Issue of shares	-	-
- redemption of shares (-)	-	-
Number of shares at the end of period	60,375,000	60,375,000

9.10.2. Ownership structure of the share capital

The structure of shareholders holding directly at least 5% of the total number of votes of Wielton S.A. as at 31 December 2024 and as at the date of submission of this report, i.e. 30 April 2025, is as follows:

	Number of shares/number of votes at the GM	Percentage of share in the total number of votes and the share capital
MP Inwestors S.à r.l. *, **	22,714,618	37.62 %
MPSZ Sp. z o.o.*	8,058,300	13.35 %
Łukasz Tylkowski	5,870,018	9.72 %
VESTA FIZ Aktywów Niepublicznych together with subsidiary**	3,536,505	5.86%
Others	20,195,559	33.45%
Total number of shares	**60,375,000**	**100.00%**

* MP Inwestors S.à r.l. is a subsidiary of Forum 109 Closed Investment Fund ("Forum 109 Fiz", the sole shareholder of MP Inwestors S.à r.l.). All investment certificates issued by Forum 109 FIZ are equally held by M.Szataniak Fundacja Rodzinna, in which Mariusz Szataniak holds the majority of votes at the meeting of beneficiaries and is the sole member of the management board, and P.Szataniak Fundacja Rodzinna, in which Paweł Szataniak holds the majority of votes at the meeting of beneficiaries and is the sole member of the management board. M.Szataniak Fundacja Rodzinna and P. Szataniak Fundacja Rodzinna also each hold 50% of the shares in MPSz sp. z o.o., in which Mariusz Szataniak and Paweł Szataniak make up the entire management board.

M.Szataniak Fundacja Rodzinna, P. Szataniak Fundacja Rodzinna, MP Inwestors S.à r.l. and MPSz sp. z o.o. are parties to a cooperation agreement, which has the nature of an agreement within the meaning of Article 87(1)(5) and (6) of the Public Offering Act (...) concerning shares in Wielton S.A. Pursuant to the agreement, MP Inwestors S.à r.l. has, among other things, the right to exercise voting rights on all shares in the share capital of MPSz sp. z o.o. and to appoint and dismiss the majority of the members of the management board of MPSz sp. z o.o., by virtue of which it is the parent company of MPSz sp. z o.o. within the meaning of the Act on Public Offering (...), and

MPSz sp. z o.o. is obliged to exercise the voting rights attached to its shares in Wielton S.A. at Wielton S.A.'s general meetings in accordance with the instructions given by MP Inwestors S.à r.l.

** Forum 109 Closed Investment Fund, which is the parent - sole shareholder of MP Inwestors S.à r.l., and VESTA FIZ Aktywów Niepublicznych are funds managed by the same investment fund company - Forum TFI S.A.

Accordingly, the status of the Company's shares held by shareholders who also hold them indirectly as at 31 December 2024 and as at the date of filing the statements, i.e. 30 April 2025, was as follows:

- MP Inwestors S.à r.l. jointly holds directly and indirectly (as the parent company of MPSZ sp. z o.o.), 30,772,918 shares in the Company, representing 50.97% of the Company's share capital, entitling to exercise 30,772,918 votes, representing 50.97% of the total number of votes in the Company,
- Forum 109 FIZ holds indirectly (through MP Inwestors S.à r.l.) 30,772,918 shares in the Company, representing 50.97% of the Company's share capital, entitling to exercise 30,772,918 votes, representing 50.97% of the total number of votes in the Company,
- Mariusz Szataniak and Paweł Szataniak hold indirectly through M. Szataniak Fundacja Rodzinna and P. Szataniak Fundacja Rodzinna and the company MPSz sp. z o.o. 8,058,300 shares in the Company representing 13.35% of the Company's share capital, entitling to exercise 8,058,300 votes, representing 13.35% of the total number of votes in the Company, and in addition Mariusz Szataniak and Paweł Szataniak hold indirectly through respectively: M. Szataniak Fundacja Rodzinna and P. Szataniak Fundacja Rodzinna all investment certificates of Forum 109 FIZ, which holds indirectly 30,772,918 shares in the Company, representing 50.97% of the Company's share capital, entitling it to exercise 30,772,918 votes, representing 50.97% of the total number of votes in the Company (this holding includes 22,714,618 shares held directly by MP Inwestors S.à r.l. and the aforementioned 8,058,300 shares held directly by MPSz sp. z o.o.),
- funds managed by Forum TFI S.A. (Forum 109 FIZ and VESTA FIZ Aktywów Niepublicznych) hold a total of 34,309,423 shares in the Company, directly and indirectly, representing 56.83% of the Company's share capital, entitling them to exercise 34,309,423 votes, representing 56.83% of the total number of votes in the Company.

WIELTON S.A. is not aware of any agreements, including those entered into after the balance sheet date, which may result in future changes in the proportions of shares held by existing shareholders, with the exception of the pledge agreement referred to below.

Information about pledges established on the Company's shares

The shares held directly by MP Inwestors S.à r.l. are subject to a pledge - according to the notice provided to the Company by this entity dated 11 August 2022, a registered pledge and financial pledge agreement on the shares was concluded between MP Inwestors S.à r.l., as pledgor, and Bank Polska Kasa Opieki Spółka Akcyjna, as pledgee, pursuant to which a financial pledge and a registered pledge were established on 22,714,618 shares of the Company held by MP Inwestors S.à r.l.. The pledgor continues to have the right to vote the aforementioned shares of the Company, while the pledgee has the right to exercise the voting right based on the power of attorney granted by MP Inwestors S.à r.l. upon the occurrence of a so-called event of default within the meaning of the loan agreement concluded on 10 August 2022 between MP Inwestors S.à r.l. and Bank Polska Kasa Opieki Spółka Akcyjna.

Issue of securities

On 24 September 2024, the Management Board of Wielton S.A. adopted a resolution to establish a Bond Issue Programme (the "Programme", "PEO"), under which no more than 80,000 bearer bonds of the Company with a nominal value of PLN 1,000.00 each, i.e. with a total nominal value of no more than PLN 80 million (the "Bonds") may be issued.

Pursuant to the adopted resolution, the Bonds under the Programme will be issued in series, and the detailed terms and conditions of the issue of each series of Bonds will be determined by separate resolutions of the Company's Management Board. Bonds issued under the Programme will be eligible for introduction to the alternative trading system operated by the Warsaw Stock Exchange. The Resolution does not specify the term of the PEO.

On 24 September 2024, the Management Board of Wielton S.A. also adopted resolutions on the issue of series A and series B bonds under the PEO, in which it decided to issue up to 10,000 unsecured, interest-bearing bearer series A bonds with a nominal value of PLN 1,000.00 each ("series A bonds") and to issue up to 10,000 unsecured, interest-bearing bearer series B bonds with a nominal value of PLN 1,000.00 each ("series B bonds").

The Series A Bonds and the Series B Bonds were offered in accordance with the procedure set out in Article 33(1) of the Bond Act of 15 January 2015, and no prospectus or information memorandum was required under the applicable laws.

Following the offering, the Management Board of Wielton S.A. on 24 September 2024 adopted a resolution to allot all 10,000 Series A Bonds and all 10,000 Series B Bonds. Thus, the issue of Series A Bonds and Series B Bonds was completed. The total value of the issue was PLN 20 million. The Series A Bonds and the Series B Bonds were subscribed for by a related party and a significant shareholder of the Company, i.e. MPSZ Sp. z o.o.

The terms and conditions of the issue of the Series A Bonds and the Series B Bonds are the same: the bonds were offered at an issue price equal to the nominal value of the bonds, they bear interest at a floating interest rate of WIBOR 6M plus a 7% margin per annum, interest is payable on the redemption date and the redemption date of the bonds is 24 September 2028. The Series A Bonds and Series B Bonds may be subject to early redemption at the request of the bondholder or the Issuer on the terms and conditions set out in the terms and conditions of issue of the Series A Bonds and Series B Bonds. Pursuant to the terms and conditions of the issue of the Bonds, the Company may take steps to introduce the Bonds to the Catalyst alternative trading system.

The Series A and Series B bonds were issued to supplement the Company's working capital requirements. The funds raised from the issue were used to support the Company's ongoing operational activities, in particular to ensure continuity of production and to strengthen the Company's ability to meet its obligations to customers and suppliers on time. Proceeds were used, among other things, to purchase components and materials required to fulfil orders, which was crucial in the context of challenges related to on-time completion of deliveries and the tight liquidity situation in the industry.

The establishment of the PEO and the issuance of the Series A and B bonds were announced by the Company in current reports 14/2024 and 15/2024 dated 24 September 2024.

Apart from the issue of series A and B bonds by Wielton S.A., the companies in the Wielton Group did not carry out any other securities issues in 2024.

9.10.3. Other capitals

As at 31.12.2024

	Revaluation of tangible fixed assets	Financial assets available for sale	Instruments securing cash flows	Actuarial gains and losses	Exchange rate differences on the translation of foreign operations	Share in other comprehensive income of equity accounted entities	Other comprehensive income total	Capital due to valuation of share based payment programmes	Settlement of transaction in the Group	Other capitals total
Balance at the beginning of the period	**-36,668**	**-**	**-2,638**	**-**	**-9,157**	**-**	**-48,463**	**-**	**6,410**	**-42,053**
Issue of shares in connection with the exercise of options (share payment programme)	-	-	-	-	-	-	-	-	-	-
Revaluation of tangible fixed assets	-	-	-		-	-	-	-	-	-
Other comprehensive income gross	-	-	2,154	-	-2,494	-	-340	-	-	-340
Income tax on other comprehensive income (-)	-	-	-410	-	-	-	-410	-	-	-410
Transfer of other comprehensive income to retained earnings (-)	-	-	-	-	-	-	-	-	-	-
Valuation of liability to repurchase remaining shares	-	-	-	-	-	-	-	-	1,922	1,922
Change of capital group structure	-	-	-	-	-	-	-	-	-	-
Balance at the end of the period	**-36,668**		**-894**	-	**-11,651**	-	**-49,213**	-	**8,332**	**-40,881**

As at 31.12.2023

	Revaluation of tangible fixed assets	Financial assets available for sale	Instruments securing cash flows	Actuarial gains and losses	Exchange rate differences on the translation of foreign operations	Share in other comprehensive income of equity accounted entities	Other comprehensive income total	Capital due to valuation of share based payment programmes	Settlement of transaction in the Group	Other capitals total
Balance at the beginning of the period	**-36,668**	**-**	**-13,878**	**-**	**15,160**	**-**	**-35,386**	**-**	**9,939**	**-25,447**
Issue of shares in connection with the exercise of options (share payment programme)	-	-	-	-	-	-	-	-	-	-
Revaluation of tangible fixed assets	-	-	-		-	-	-	-	-	-
Other comprehensive income gross	-	-	13,877	-	-24,317	-	-10,440	-	-	-10,440
Income tax on other comprehensive income (-)	-	-	-2,637	-	-	-	-2,637	-	-	-2,637
Transfer of other comprehensive income to retained earnings (-)	-	-	-	-	-	-	-	-	-	-
Valuation of liability to repurchase remaining shares	-	-	-	-	-	-	-	-	-3,529	-3,529
Change of capital group structure	-	-	-	-	-	-	-	-	-	-
Balance at the end of the period	**-36,668**	**-**	**-2,638**	-	**-9,157**	-	**-48,463**	-	**6,410**	**-42,053**

9.10.4. Dividends

The Annual General Meeting of Wielton S.A. was held on 25 June 2024.

The Annual General Meeting of Wielton S.A. adopted, among other things, a resolution on the distribution of profit for the financial year covering the period from 1 January 2023 to 31 December 2023, according to which it was decided to allocate the net profit of PLN 111,367,508.26 in its entirety to supplementary capital.

The resolution of the Ordinary General Meeting of Wielton S.A. on the distribution of the Company's net profit for 2023 was in line with the recommendation of the Company's Management Board adopted in a resolution of 29 May 2024 and positively assessed by the Supervisory Board of Wielton S.A. on 29 May 2024.

When adopting the resolution on the recommendation to the Annual General Meeting of Wielton S.A. regarding the distribution of profit, the Company's Management Board took into account the micro- and macroeconomic conditions related to the slowdown in the transport sector resulting, inter alia, from inflation and its direct impact on business costs. The allocation of net profit to reserve capital, in the opinion of the Company's Management Board, allowed the strengthening of the capital structure and the reduction of the share of debt in financing the Company's activities.

The Company published information on the recommendation of the Management Board and the opinion of the Supervisory Board of Wielton S.A. in current report No. 8/2024 of 29 May 2024. The Company published information about the resolution of the Annual General Meeting of Wielton S.A. in current report No. 12/2024 of 25 June 2024.

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9.10.5. Non-controlling interest

Accounting rules

Transactions with non-controlling interests are accounted for through capital (retained earnings), in accordance with the provisions of IFRS 10.

The non-controlling interests presented in the Group's equity relate to the following subsidiaries:

	31.12.2024	31.12.2023
Langendorf	-1,093	2,601
Guillén	5,101	5,617
Aberg Axles	-1,801	-560
Aberg Connect	187	175
Non-controlling interest total	**2,394**	**7,833**

During the period covered by the consolidated financial statements, the value of non-controlling interests changed due to transactions affecting the Group's structure and the settlement of comprehensive income in the portion attributable to non-controlling interests, as shown in the table below:

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Balance at the beginning of the period	**7,833**	**10,657**
Change of the Group's structure (transactions with non-controlling entities)	-	-
Acquisition of control - initial determination of non-controlling interests (+)	-	-
Sale of subsidiaries outside the Group - settlement of non-controlling interests (-)	-	-
Acquisitions by the Group of non-controlling interests (-)	-	-
Sale by the Group of equity in subsidiaries to non-controlling interests, without loss of control (+)	-	-
Comprehensive income:		
Net profit (loss) for the period (+/-)	-5,260	-1,902
Other comprehensive income for the period after taxation (+/-)	-179	-922
Other changes	-	-
Balance of non-controlling interest at the end of the period	**2,394**	**7,833**

9.11. Financial liabilities

Accounting rules

Financial liabilities different than hedging derivative instruments are recognised in the following items of the statement on the financial position:

- *credits, loans and other debt securities,*
- *financial lease,*
- *liabilities due to deliveries and services and other liabilities, and*
- *derivative financial instruments.*

After initial inclusion, financial liabilities are recognised at their depreciated costs using the effective interest rate method, except for financial liabilities designated for trade or marked as valued in their fair value through the financial result. The category of financial liabilities valued in their fair value through the financial result includes derivative instruments different than hedging instruments.

Short-term liabilities due to deliveries and services are valued in the required payment amount because of insignificant discount effects. Profits and losses on valuation of financial liabilities are included in the financial result in the financial activity.

The value of liabilities presented in the consolidated statement of financial position refers to the following categories of financial instruments as defined in IFRS 9:

- *financial assets recognised at fair value through profit or loss - held for trading (ZWG-O),*
- *financial liabilities recognised at fair value through profit or loss - designated on initial recognition as measured at fair value (ZWG-W),*
- *financial liabilities estimated according to depreciated costs (ZZK),*
- *hedging derivative instruments (IPZ),*
- *liabilities outside the scope of IFRS 9.*

As at 31.12.2024

	ZWG-O	ZWG-W	ZZK	IPZ	Outside IFRS 9	Total
Long-term financial liabilities	**-**	**-**	**84,020**	**-**	**113,712**	**197,732**
Credits, loans and other debt securities (long-term)	-	-	48,096	-	-	48,096
Lease (long-term)	-	-	-	-	88,430	88,430
Other liabilities	-	-	35,924	-	25,282	61,206
Short-term financial liabilities	**-**	**-**	**948,155**	**-**	**112,920**	**1,061,075**
Liabilities due to deliveries and services and other liabilities	-	-	414,678	-	90,952	505,630
Credits, loans and other debt securities (short-term)	-	-	533,477	-	-	533,477
Lease (short-term)	-	-	-	-	21,968	21,968
Derivative financial instruments	-	-	-	-	-	-
Financial liabilities category total	**-**	**-**	**1,032,175**	**-**	**226,632**	**1,258,807**

As at 31.12.2023

	ZWG-O	ZWG-W	ZZK	IPZ	Outside IFRS 9	Total
Long-term financial liabilities	**-**	**-**	**176,179**	**-**	**57,721**	**233,900**
Credits, loans and other debt securities (long-term)	-	-	142,131	-	-	142,131
Lease (long-term)	-	-	-	-	49,989	49,989
Other liabilities	-	-	34,048	-	7,732	41,780
Short-term financial liabilities	**-**	**-**	**896,301**	**-**	**100,340**	**996,641**
Liabilities due to deliveries and services and other liabilities	-	-	584,760	-	81,087	665,847
Credits, loans and other debt securities (short-term)	-	-	311,541	-	-	311,541
Lease (short-term)	-	-	-	-	19,253	19,253
Derivative financial instruments	-	-	-	-	-	-
Financial liabilities category total	**-**	**-**	**1,072,480**	**-**	**158,061**	**1,230,541**

9.11.1. Credits, loans and other debt securities

Accounting rules

The Group does not classify any instruments in the class of loans and advances as financial liabilities designated at fair value through profit or loss. All credits and loans, and other debt instruments are measured at depreciated cost using the effective interest rate.

The value of credits, loans and other debt instruments recognised in the consolidated financial statements is shown in the table below:

Long-term liabilities	31.12.2024	31.12.2023
Financial liabilities estimated according to depreciated costs:		
Loans on loan account	7,130	122,503
Loans on current account	-	-
Long-term loans	20,966	19,628
Debt securities	20,000	-
Long-term credits, loans and other debt securities total	**48,096**	**142,131**

Short-term liabilities	31.12.2024	31.12.2023
Financial liabilities estimated according to depreciated costs:		
Loans on loan account	249,918	44,661
Loans on current account	223,094	210,390
Short-term loans	14,567	39,079
Debt securities	45,898	17,411
Short-term credits, loans and debt securities	**533,477**	**311,541**

9.11.1.1. Characteristics of credits, loans and other debt instruments received

As at 31.12.2024

Specification	Currency	Interest rate	Due date	Value in the currency	Value in PLN	Short-term part	Long-term part
Consortium BNP Paribas Bank Polska S.A.; BGK; PKO BP S.A.:			12.12.2025	515,000			
- current account loan at PLN, EUR	PLN,EUR	WIBOR 1M + margin, WIBOR 3M + margin	30.09.2025, 12.12.2025 30.09.2025	14,457	200,235	200,235	-
- loan account loan at EUR	EUR	fixed interest rate	12.12.2025	18,649	79,707	79,707	-
- loan account loan at EUR	EUR	EURIBOR 3M + margin	12.12.2025	11,812	50,435	50,435	-
PKO BP S.A., overdraft	PLN	WIBOR 3M + margin	30.09.2025	-	109,481	109,481	-
WFOŚiGW loan	PLN	fixed interest rate	31.12.2029	-	10,420	2,274	8,146
KUKE Finance S.A., recourse factoring	GBP	SONIA + margin	19.04.2025	4,161	21,423	21,423	-
Recourse factoring	EUR	EURIBOR1M+margin	19.04.2025	5,728	24,475	24,475	-
Bonds	PLN	WIBOR 6M + margin	24.09.2028		20,000	-	20,000
Caisse d'Epargne, investment loan	EUR	margin	31.03.2025	1,119	4,782	1,728	3,054
Bpifrance DOS0062629/00, investment loan	EUR	margin	05.09.2027	316	1,351	1,013	338
Bpifrance DOS0078400/00, investment loan	EUR	margin	31.10.2025	316	1,351	1,351	-
BNP Paribas, investment loan	EUR	margin	08.11.2029	2,715	11,603	2,353	9,250
Bank overdraft	EUR	margin	unspecified	3,714	15,871	15,871	-
Sparkasse VEST bank overdraft	EUR	margin	unspecified	74	316	316	-
Sparkasse VEST, investment loan	EUR	margin	31.12.2024	2	7	7	-
Sparkasse VEST, overdraft	EUR	margin	unspecified	8	36	36	-
Sparkasse VEST, investment loan	EUR	margin	30.10.2026	90	383	205	178
National Bank, overdraft	EUR	margin	unspecified	1,553	6,637	6,637	-
GEFA, stock financing	EUR	margin	unspecified	252	1,077	1,077	-
GEFA, EarlyBirdStock LT	EUR	margin	unspecified	60	258	258	-
CDTI, investment loan	EUR	margin	31.07.2028	421	1,799	-	1,799
CDTI, investment loan	EUR	margin	12.02.2027	105	449	-	449
IBERCAJA, investment loan	EUR	margin	23.09.2027	233	995	372	623
IBERACJA, 05.2024	EUR	margin	13.05.2029	223	953	204	749
BBVA, investment loan	EUR	margin	22.04.2027	293	1,250	520	730
IBERCAJA, overdraft	EUR	EURIBOR + margin	Unspecified	393	1,679	1,679	-
Deudas con entidades	EUR	EURIBOR + margin	unspecified	1,341	5,729	5,729	-
Caixbank, overdraft	EUR	margin	unspecified	100	427	427	-
Caixbank, investment loan	EUR	margin	25.11.2027	122	520	171	349
Caixbank, investment loan	EUR	margin	01.07.2028	92	395	110	285
Caixabank	EUR	EURIBOR + margin	30.04.2029	141	604	137	467
Bankinter	EUR	margin	01.08.2027	447	1,908	698	1,210
Remodelacion N2	EUR	margin	21.01.2025	22	94	94	-
IBERCAJA, investment loan	EUR	margin	17.10.2028	146	623	154	469
HSBC HP, investment loan	GBP	margin	01.01.2025	5	27	27	-
INTESA SAN PAOLO PRATICA	EUR	EURIBOR 3/6M+ margin	08.06.2025	1,000	4,273	4,273	-
Total					**581,573**	**533,477**	**48,096**

As at 31.12.2023

Specification	Currency	Interest rate	Due date	Value in the currency	Value in PLN	Short-term part	Long-term part
Consortium BNP Paribas Bank Polska S.A.; BGK; PKO BP S.A.:			12.12.2025	515,000			
- current account loan at PLN, EUR	PLN	WIBOR 1M + margin, WIBOR 3M + margin	13.12.2024 12.12.2025		199,982	199,982	-
- loan account loan at EUR	EUR	fixed interest rate	12.12.2025		90,284	19,150	71,134
- loan account loan at EUR	EUR	EURIBOR 3M + margin	12.12.2025		57,022	11,888	45,134
PKO BP S.A., overdraft	PLN	WIBOR 1M + margin	05.04.2024	-	7,506	7,506	-
KUKE Finance S.A., recourse factoring	GBP	SONIA + margin	unspecified	60,000	17,411	17,411	-
Caisse d'Epargne, investment loan	EUR	margin	05.09.2027	3,000	6,570	1,788	4,782
Bpifrance DOS0062629/00, investment loan	EUR	margin	31.05.2025	1,581	2,750	1,752	998
Bpifrance DOS0078400/00, investment loan	EUR	margin	31.10.2025	1,581	2,750	1,398	1,352
BNP Paribas, investment loan	EUR	margin	08.11.2029	3,860	14,197	2,410	11,787
BNP Paribas, overdraft	EUR	margin	unspecified	10,000	24,197	24,197	-
Caisse d'Epargne, overdraft	EUR	margin	12.2023	2,000	-	-	-
Bpifrance, factoring	EUR	Margin	30.10.2024	3,000	-	-	-
Sparkasse VEST bank overdraft	EUR	margin	unspecified	800	1,007	1,007	-
Sparkasse VEST, investment loan	EUR	margin	30.11.2024	1,100	526	526	-
Sparkasse VEST, overdraft	EUR	margin	unspecified	100	369	369	-
Sparkasse VEST, investment loan	EUR	margin	30.01.2025	1,200	356	342	14
Sparkasse VEST, investment loan	EUR	margin	30.10.2026	750	600	206	394
Sparkasse VEST, overdraft (business aid)	EUR	margin	30.06.2025	2,000	2,174	2,174	-
National Bank, overdraft	EUR	margin	unspecified	2,000	8,679	8,679	-
GEFA, stock financing	EUR	margin	unspecified	650	2,611	2,611	-
Deutsche Factoring Bank, factoring	EUR	margin	unspecified	600	353	353	-
BBVA, investment loan	EUR	margin	22.04.2027	600	1,774	501	1,273
CDTI, investment loan	EUR	margin	31.07.2028	684	2,289	458	1,831
CDTI, investment loan	EUR	margin	12.02.2027	273	640	183	457
IBERCAJA, investment loan	EUR	margin	23.09.2027	500	1,374	361	1,013
BBVA, investment loan	EUR	margin	21.01.2025	1,300	1,239	1,143	96
IBERCAJA, overdraft	EUR	margin	unspecified	1,000	-	-	-
Bankinter, overdraft	EUR	margin	unspecified	1,000	-	-	-
Caixbank, overdraft	EUR	margin	unspecified	1,300	3,044	3,044	-
Caixbank, investment loan	EUR	margin	25.11.2027	197	695	165	530
Caixbank, investment loan	EUR	margin	01.07.2028	129	513	112	401
IBERCAJA, investment loan	EUR	margin	17.10.2028	183	784	150	634
HSBC HP, investment loan	GBP	margin	01.01.2025	1,674	1,976	1,675	301
Total					**453,672**	**311,541**	**142,131**

Material differences between published forecasts and actual accounting book liabilities

Pursuant to Article 35(1a) and (1b) of the Bond Act of 15 January 2015, the issuer is required to indicate and explain material differences between the published information on the forecast development of the issuer's financial liabilities as at the last day of the financial year and the issuer's financial liabilities arising from the issuer's books as at that date.

As at 31 December 2025	Value (PLN million)	Share in total liabilities and equity (%)
Estimated value of financial liabilities including:	684	34%
liabilities due to credits and loans	624	31%
liabilities from issued debt securities	20	1%
liabilities due to lease	40	2%

As at 31 December 2024	Value (PLN million)	Share in total liabilities and equity (%)
Value of financial liabilities including:	692	37%
liabilities due to credits and loans	562	30%
liabilities from issued debt securities	20	1%
liabilities due to lease	110	6%

The most significant difference between the published information on the forecast development of financial liabilities at 31.12.2025 and those at 31.12.2024 is the inclusion in the forecast of the release of the remaining tranches of the RCF D loan.

9.11.1.2. Collaterals for liabilities repayment

The Group's liabilities related to credits, loans, other debt instruments and finance leases are covered by the following repayment security (as at 31.12.2024):

Type of collateral	31.12.2024	31.12.2023
Aggregate contractual mortgage on real properties	246,321	772,500
Aggregate contractual mortgage on real properties	-	45,000
Mortgage (RCF A loan and RCF B loan)	392,299	
Mortgage (RCF C loan)	196,800	
Mortgage (RCF D loan)	256,500	
Guarantee granted by KUKE Bank guarantee granted by BNP	284,948	
Registered pledge on a set of movables - machinery and equipment of Wielton S.A., Wielton Agro sp. z o.o., Aberg Service sp. z o.o.	122,033	91,336
Registered pledge on a set of movables - inventories (materials, semi-finished and work-in-progress and finished products) of Wielton S.A., Wielton Agro Sp.z o.o., Aberg Service Sp.z o.o.	186,063	195,500
Transfer of rights of Wielton S.A., Wielton Agro sp. z o.o., Aberg Service sp. z o.o. under Trade Agreements	217,277	162,625
Pledge on all shares of Wielton S.A. in Langendorf	21,915	21,915
Pledge on Wielton S.A.'s Fruehauf auctions and dividend account held for Wielton S.A. (agreement dated 14.12.2018)	93,568	93,568
Pledge on all shares of Wielton S.A. in VIBERTI Rimorchi of 11.01.2019	42	42
Pledge on all shares of Wielton S.A. in Lawrence David Limited (agreement dated 14.12.2018)	130,027	130,027
Subordination agreement of 31.01.2019	38,457	19,566
Pledge on all shares of Wielton S.A. in OOO WIELTON (agreement dated 29.04.2019)	116	116
Pledge on all shares of Wielton S.A. in Wielton Agro Sp. z o.o. (agreement dated 8.05.2024)	48,005	
Pledge on all shares of Wielton S.A. in Aberg Service sp. z o.o. (agreement dated 13.05.2024)	14,305	
BGK guarantee	40,000	64,000
KUKE guarantee	48,000	48,000
Mortgage on Wirringen property	13,105	13,335
Mortgage on Bahnhofstrasse property	13,246	13,479
KfW surety	-	2,174
Lawrence David (debenture)	177,101	168,780
Total	**2,540,128**	**1,841,963**

As at 31 December 2024, the following Group assets were pledged as collaterals for the repayment of liabilities:

	31.12.2024	31.12.2023
Intangible assets	-	32,443
Tangible fixed assets, including lease	380,574	330,633
Financial assets (other than receivables)	245,668	245,668
Inventories	186,063	232,949
Receivables due to deliveries and services and other	217,277	196,986
Value of assets constituting collaterals total	**1,029,582**	**1,038,679**

In the reporting period, the companies in the Wielton Group did not have any loan agreements terminated, nor did the companies terminate any such agreements.

9.11.1.3. Liabilities due to lease

Professional assessment and estimates

In 2024, the Group has not changed its estimate of the duration of the leases.

The outstanding future minimum lease payments as at 31.12.2024 amount to:

As at 31.12.2024

	up to 1 year	from 1 year to 5 years	over 5 years	Total
Future minimum lease payments	23,322	64,069	93,287	180,678
Financial costs (-)	-1,354	-6,221	-62,705	-70,280
Present (reporting) value of future minimum lease payments	**21,968**	**57,848**	**30,582**	**110,398**

As at 31.12.2023

	up to 1 year	from 1 year to 5 years	over 5 years	Total
Future minimum lease payments	20,774	53,101	4,278	78,153
Financial costs (-)	-1,521	-4,697	-2,693	-8,911
Present (reporting) value of future minimum lease payments	**19,253**	**48,404**	**1,585**	**69,242**

Leases in the area of IFRS 16 are described in Note 9.1.4.

9.11.2. Liabilities due to deliveries and services and other liabilities

9.11.2.1. Long-term liabilities due to deliveries and services and other liabilities

	31.12.2024	31.12.2023
Deposits received	1	15
Other financial liabilities	35,923	34,033
Total other long-term liabilities excluding accrued expenses	**35,924**	**34,048**
Long-term prepayments and accrued income	25,282	7,732
Long-term liabilities due to deliveries and services and other liabilities	**61,206**	**41,780**

9.11.2.2. Short-term liabilities due to deliveries and services and other liabilities

	31.12.2024	31.12.2023
Financial assets (IFRS 9):		
Liabilities due to deliveries and services	411,453	582,014
Other financial liabilities	3,225	2,746
Financial liabilities total	**414,678**	**584,760**
Non-financial liabilities (outside IFRS 9):		
Liabilities due to taxes and other benefits	39,930	26,108
Prepayments and advances received for deliveries	14,675	26,555
Other non-financial liabilities	12,929	674
Liabilities for expected returns	13,397	13,240
Short-term accruals and deferred income	10,021	14,510
Non-financial liabilities total	**90,952**	**81,087**
Liabilities due to deliveries and services and other liabilities total	**505,630**	**665,847**

The value of liabilities due to deliveries and services is considered by the Group to be a reasonable approximation of fair value.

9.11.2.2.1. Accruals and deferred income

Accounting rules

The "Accruals and deferred income" item of the liabilities presents revenues of the future periods, including cash resources obtained to finance fixed assets which are settled in accordance with IAS 20 "Government donations" and accruals and deferred income. Donations are recognised only when there is a sufficient certainty that the Group is going to meet the requirements connected with a given donation and that a given donation will actually be granted. Donation concerning a given costs item is included as revenue proportionally to the costs which are planned to be compensated by the donation. Donation financing an element of assets is gradually included in the result as revenue within the periods proportionally to the depreciation write-offs made for that element of assets.
The Capital Group, for the purposes of presentation in the consolidated statement on the financial situation, does not deduct donations from the accounting value of assets, but recognises donations as revenues of future periods in the "Prepayments and accruals" item.

As at 31.12.2024

Accruals and deferred income	Short-term	Long-term	Total
Prepayments and accrued income			
Grants received	7,261	18,057	25,318
Other settlements	2,760	7,225	9,985
Accruals and deferred income total	**10,021**	**25,282**	**35,303**

As at 31.12.2023

Accruals and deferred income	Short-term	Long-term	Total
Prepayments and accrued income			
Grants received	14,389	3,274	17,663
Other settlements	121	4,458	4,579
Accruals and deferred income total	**14,510**	**7,732**	**22,242**

As at 31.12.2024, Grants received included:

- grant from the National Centre for Research and Development for the project "Development of production technology for a complete refrigerated food trailer with improved technical parameters" in the short-term part in the amount of PLN 327,000 and in the long-term part in the amount of PLN 4,131,000;
- funding of the project entitled: "Development of manufacturing technology and system for production of cooler-body semi-trailer for transporting goods in refrigerated conditions" under the Sector Programme INNOMOTO funded from the resources of Measure 1.2 "Sector R&D Programmes" POIR 2014-2020 in the short-term part in the amount of PLN 6,378 thousand;
- funding of the project entitled: "Development of hydroforming technology for selected trailer components to create an innovative INNFLEXTRAILER trailer" under Measure 1.2 of the Operational Programme Intelligent Development 2014-2020 in the short-term part in the amount of PLN 454,000 and in the long-term part in the amount of PLN 10,966,000.

9.12. Reserve due to deferred income tax

A description of the item can be found in note 7.8.2.

9.13. Liabilities and reserve due to employee benefits

Accounting rules

Liabilities due to employee benefits presented in the statement on the financial situation include the following:

- *short-term employee benefits due to remunerations and social contributions. The value of liabilities due to short-term employee benefits is determined without discount and recognised in the consolidated statement on the financial situation in the amount of due payment,*
- *reserve for the costs of accumulated paid absences which will be incurred as a result of the rights which were not exercised by the employees and which were available as at the reporting date. The reserve for unused holiday leaves is not subject to discount.*

The Group does not create reserves due to anniversary awards because the regulations of employee remuneration applied by the Group do not contain such awards. In accordance with the remuneration systems applied by the Group, the employees of the Group companies are entitled to receive retirement allowances. The amount of retirement allowance depends on the period of service and the average remuneration of the employee. The Group creates a reserve for future liabilities due to retirement allowances in order to assign the costs to the periods when the rights are acquired by the employees. In accordance with IAS 19, the Group classifies retirement allowances as other long-term employee benefits. The current value of liabilities due to future payments of retirement allowances is estimated by an independent actuary or individually by a given company in accordance with IAS 19. The calculated reserves are equal to discounted payments which will be made in the future and refer to the period until the balance-sheet date. Demographic information and information about employment rotation are based on historical data. The impact of valuation on the future liabilities due to retirement allowances are included in the result, in the remuneration costs.

Professional assessment and estimates

Employee benefit reserves were estimated using actuarial methods.

Liabilities and reserve due to employee benefits included in the consolidated statement of financial position include:

As at 31.12.2024

Liabilities and reserves	Short-term	Long-term	Total
Short-term employee benefits	**53,248**	**-**	**53,248**
Liabilities due to remunerations	14,660	-	14,660

Liabilities due to social insurances	27,093	-	27,093
Reserve for unused holidays	11,495	-	11,495
Long-term employee benefits	**-**	**8,353**	**8,353**
Reserves for pension allowances	-	8,353	8,353
Employee benefits total	**53,248**	**8,353**	**61,601**

As at 31.12.2023

Liabilities and reserves	Short-term	Long-term	Total
Short-term employee benefits	**56,528**	**-**	**56,528**
Liabilities due to remunerations	15,663	-	15,663
Liabilities due to social insurances	27,572	-	27,572
Reserve for unused holidays	13,293	-	13,293
Long-term employee benefits	**-**	**7,587**	**7,587**
Reserves for pension allowances	-	7,587	7,587
Employee benefits total	**56,528**	**7,587**	**64,115**

The Group entities pay retirement allowance amounts to retiring employees in accordance with the remuneration systems in place at each Company. Accordingly, the Group makes a reserve for the present value of the retirement benefit obligation, either on the basis of a valuation carried out by an independent actuary or by the respective Group Company itself.

A summary of the benefits, the amount of the reserve and a reconciliation showing changes in the balance during the financial period are shown in the table below:

Data for the period from 01.01.2024 to 31.12.2024:

Reserves for other long-term employee benefits	Retirement allowances	Anniversary awards	Other	Total
Reserves at the beginning of the period	7,587	-	-	7,587
Changes included in the result:				
Costs of current and past employment	1,363	-	-	1,363
Interest expense	93	-	-	93
Revaluation of liability	-222	-	-	-222
Benefits paid (-)	-355	-	-	-355
Changes without impact on the result:	-			-
Increase through business combination	-	-	-	-
Other changes (net translation differences)	-113	-	-	-113
Current value of reserves at the end of period	**8,353**	**-**	**-**	**8,353**

Data for the period from 01.01.2023 to 31.12.2023

Reserves for other long-term employee benefits	Retirement allowances	Anniversary awards	Other	Total
Reserves at the beginning of the period	6,212	-	-	6,212
Changes included in the result:				
Costs of current and past employment	1,103	-	-	1,103
Interest expense	407	-	-	407
Revaluation of liability	482	-	-	482
Benefits paid (-)	-184	-	-	-184
Changes without impact on the result:	-			-
Increase through business combination	-	-	-	-
Other changes (net translation differences)	-433	-	-	-433
Current value of reserves at the end of period	**7,587**	**-**	**-**	**7,587**

Wielton S.A. applies a discount rate of 5.8% - based on the market yield of 10-year government bonds.

As a long-term annual growth rate for salaries, the nominal growth rate in Wielton S.A. was assumed to be. 4.5%.

The following table shows the impact of the change in assumptions at Wielton S.A. on the value of liabilities for provisions for retirement benefits as at 31 December 2024.

Specification	Retirement allowances
Base variant	8,353
Discount rate +0.25% to 1%	7,227
Discount rate -0.25% to -1%	7,697
Increase of salaries +0.25% to +0.5%	7,770
Increase of salaries -0.25% to -0.5%	7,166
Probability of resignation +0.25%	6,145
Probability of resignation -0.25%	6,114

9.14. Other reserves

Accounting rules

Reserves are created if the Group is charged with current obligation (legal or generally expected) arising from the previous events and when it is probable that meeting that obligation will cause a requirement of outflow of commercial benefits and the amount of such obligation may be reliably estimated. The date of payment and the amount to be settled may be uncertain. Reserves are created, among others, for the following items:

- *granted guarantees of after-sale services of the delivered products and services, pending court proceedings and disputes,*
- *restructuring, only if the Group is obliged to conduct it under separate regulations or binding agreements were concluded in that scope,*
- *bonuses for the Management Board.*

Reserves for the granted guarantees of after-sale services are presented in "Other short-term reserves" item. Reserves are not created for future operating losses. Reserves are recognised in the value of the estimated expenses necessary to fulfil the current obligation, on the basis of the most reliable evidence available as at the date of drawing up the consolidated financial statements, including concerning risk and uncertainty level. In the case when the impact of the value of money in time is significant, the reserve value is determined through discounting the *forecast future cash flows to the current value, using the discount rate which reflects the current market estimation of cash value in time and the possible risks connected with a given liability. If a method of discounting was applied, then the increase of reserve due to the passage of time is recognised as financial expenses.*

If the Group expects that the costs included in the reserve will be returned, for example under an insurance agreement, then the return is included as a separate element of assets, but only when there is a sufficient certainty that the return will actually be made. However, the value of that asset cannot exceed the amount of the reserve. In the case when spending the resources in order to fulfil the current obligation is not probable, the amount of contingent liability is not included in the statement on the financial situation, except for contingent liabilities identified in the process of business combinations within the framework of allocation of the merger costs in accordance with IFRS 3 (see item concerning business combinations). The Group also presents information on contingent liabilities for lease payments under operating leases. The possible inflows containing commercial benefits for the Group which do not yet meet the requirements for inclusion as assets, constitute contingent assets which are not recognised in the statement on the financial situation. Information about contingent assets is included in additional explanatory notes.

As at 31.12.2024

Reserves	**Short-term**	**Long-term**
Guarantee repairs reserve	14,577	-
Reserve for used vehicles	585	34
Reserve for environment protection	415	-
Reserve for the audit of financial statements	178	-
Trade commissions reserve	312	-
Reserve for transport services	460	-
Legal reserve	986	52
Reserve for incurred costs	403	-
Reserve for other services	718	-
Other reserves	19,264	
Other reserves total	**37,898**	**86**

As at 31.12.2023

Reserves	**Short-term**	**Long-term**
Guarantee repairs reserve	13,913	-
Reserve for used vehicles	609	109
Reserve for environment protection	433	-
Reserve for the audit of financial statements	245	-
Trade commissions reserve	786	-
Reserve for transport services	69	-
Legal reserve	1,247	53
Reserve for incurred costs	1,578	-
Reserve for other services	2,437	-
Other reserves	10,998	-
Other reserves total	**32,315**	**162**

10. Related party transactions

The Group's related parties include key management personnel, affiliated entities, subsidiaries excluded from consolidation and other related parties, which include entities controlled by the owners of the Parent Company.

Parent Company

None

Entity exercising ultimate control

Paweł Szataniak i Mariusz Szataniak – do not draw up public financial statements.

Other affiliates

The Group's key other related parties include:

- Serwis 44,
- Pamapol S.A.,
- Kwidzyn Sp. z o.o. (formerly Warmińskie Zakłady Przetwórstwa Owocowo Warzywnego Sp. z o.o.),
- Amerykanka Struktura Sp. z o.o.
- Mitmar Sp. z o.o.

Outstanding balances of receivables and liabilities are usually settled in cash.

There are no contingent liabilities to related parties.

10.1. Transactions with key management personnel

The Group's key management personnel include the members of the Management Board of the Parent Company and its subsidiaries. The remuneration of key personnel during the period covered by the consolidated financial statements amounted to:

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Short-term employee benefits	1,500	4,743
Employment termination benefits	-	365
Remuneration for the provided services	-	5,689
Other benefits	45	44
Benefits for the management personnel	**1,545**	**10,841**

Details of the remuneration of the Parent Company's Management Board are set out in Note 15.2.

The Group did not grant any loans to key management personnel during the period covered by the consolidated financial statements.

The Group has not made any sales or purchases from entities controlled by key management personnel in 2024.

10.2. Transactions with associates, non-consolidated subsidiaries and other related parties

The Group has no investments in subsidiaries excluded from consolidation.

The following amounts of sales revenue and receivables from other related parties were recognised in the period covered by the consolidated financial statements:

Operating revenues	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Sales to:		
Parent Company	-	-
Subsidiary	-	-
Affiliated entity	-	-
Joint arrangement	-	-
Key management personnel	-	45
Other affiliated entities	108	1,460
Total	**108**	**1,505**

Receivables	**31.12.2024**	**31.12.2023**
Receivables from:		
Parent Company	-	-
Subsidiary	-	-
Affiliated entity	-	-
Joint arrangement	-	-
Key management personnel	-	-
Other affiliated entities	60	437
Total	**60**	**437**

There were no write-downs of receivables from related parties and therefore no costs were recognised in the result.

During the period covered by the consolidated financial statements, the following amounts of purchases from and liabilities to associates, subsidiaries and other related parties were recognised:

Purchases (costs, assets)	**from 01.01.2024 to 31.12.2024**	**from 01.01.2023 to 31.12.2023**
Purchase from:		
Parent Company	-	-
Subsidiary	-	-
Affiliated entity	-	-
Joint arrangement	-	-
Key management personnel	-	-
Other affiliated entities	2,086	28,287
Total	**2,086**	**28,287**

Liabilities	**31.12.2024**	**31.12.2023**
Liabilities to:		
Parent Company	-	-
Subsidiary	-	-
Affiliated entity	-	-
Joint arrangement	-	-
Key management personnel	-	-
Other affiliated entities	461	599
Total	**461**	**599**

11. Assets and contingent liabilities

The value of contingent liabilities as at the end of specific reporting periods is presented below:

	31.12.2024	**31.12.2023**
Guarantees granted:		
towards other entities	208	3,909
towards affiliated entities	**5,902**	8,542
Contingent liabilities total	**6,110**	**12,451**

In 2024, neither Wielton S.A. nor the companies in the Wielton Capital Group have given or received any other guarantees, with the exception of the guarantees referred to below:

As at 31 December 2024 the following were valid:

- granted on 11 December 2024, by Korporacja Ubezpieczeń Kredytów Eksportowych S.A., on behalf of Wielton S.A., under a framework agreement:
  1) guarantee up to the amount of PLN 26.7 million towards Powszechna Kasa Oszczędności Bank Polski S.A.,

2) guarantee up to the amount of PLN 26.7 million towards BNP Paribas Bank Polska S.A.,
3) guarantee up to the amount of PLN 26.7 million towards Bank Gospodarstwa Krajowego,

to secure an RCF A loan in the total amount of PLN 100 million granted on the basis of bilateral agreements between Wielton S.A. and PKO BP S.A., BNP PARIBAS Bank Polska S.A., BGK based on the Loan Agreement dated 14.12.2018 and subsequent amendments concluded between Wielton S.A. and the consortium of banks PKO BP S.A., BNP PARIBAS Bank Polska S.A., BGK. The guarantee expires in the fourth quarter of 2025;

- granted on 11 December 2024, by Korporacja Ubezpieczeń Kredytów Eksportowych S.A., on behalf of Wielton S.A., under a framework agreement:
  1) guarantee up to the amount of PLN 17.1 million towards Powszechna Kasa Oszczędności Bank Polski S.A.,
  2) guarantee up to the amount of PLN 17.1 million towards BNP Paribas Bank Polska S.A.,
  3) guarantee up to the amount of euros 3.7 million towards Bank Gospodarstwa Krajowego,

  to secure an RCF B loan in the total amount of PLN 64.2 million granted on the basis of bilateral agreements between Wielton S.A. and PKO BP S.A., BNP PARIBAS Bank Polska S.A., BGK based on the Loan Agreement dated 14.12.2018 and subsequent amendments concluded between Wielton S.A. and the consortium of banks PKO BP S.A., BNP PARIBAS Bank Polska S.A., BGK. The guarantee expires in the fourth quarter of 2025;

- granted on 29 April 2024, and subsequently amended by the addendum of 11 December 2024 by Korporacja Ubezpieczeń Kredytów Eksportowych S.A., on behalf of Wielton S.A., under a framework agreement:
  1) guarantee up to the amount of PLN 21.3 million towards Powszechna Kasa Oszczędności Bank Polski S.A.,
  2) guarantee up to the amount of PLN 21.3 million towards BNP Paribas Bank Polska S.A.,
  3) guarantee up to the amount of PLN 21.3 million towards Bank Gospodarstwa Krajowego,

  to secure an RCF C loan of PLN 80 million granted on the basis of the Loan Agreement dated 14.12.2018 and subsequent amendments concluded between Wielton S.A. and the bank consortium PKO BP S.A., BNP PARIBAS Bank Polska S.A., BGK.

  The guarantee expires in the fourth quarter of 2025;

- granted on 12 November 2024, by Korporacja Ubezpieczeń Kredytów Eksportowych S.A., on behalf of Wielton S.A., under a framework agreement:
  1) guarantee up to the amount of PLN 25.3 million towards Powszechna Kasa Oszczędności Bank Polski S.A.,
  2) guarantee up to the amount of PLN 25.3 million towards BNP Paribas Bank Polska S.A.,
  3) guarantee up to the amount of PLN 25.3 million towards Bank Gospodarstwa Krajowego,

  to secure an RCF D loan of PLN 95 million granted on the basis of the Loan Agreement dated 14.12.2018 and subsequent amendments concluded between Wielton S.A. and the bank consortium PKO BP S.A., BNP PARIBAS Bank Polska S.A., BGK.
  The guarantee expires in the fourth quarter of 2025;

- a guarantee of up to PLN 15.0 million granted on 21 February 2024 by BNP Paribas Bank Polska S.A., at the request of Wielton S.A., to secure the loan agreement concluded between Wielton S.A. and the Provincial Fund for Environmental Protection and Water Management in Łódź. The guarantee expires in the first quarter of 2030;

- a guarantee granted at the request of Wielton S.A., in the amount of PLN 40.0 million (i.e. 80% of the loan amount) for the period until 12 March 2026, by Bank Gospodarstwa Krajowego, under the portfolio guarantee line agreement of the Crisis Guarantee Fund to secure the repayment of the overdraft facility agreement of 9 October 2023, granted by Credit Agricole Bank Polska Spółka Akcyjna in the amount of PLN 50.0 million with the final repayment date of 12 December 2025;

- a guarantee of EUR 0.95 million granted by Wielton S.A. on 17 January 2023 to secure the loan agreement between Langendorf Polska sp. z o.o. and De Lage Landen Leasing Polska S.A. The guarantee expires in the fourth quarter of 2029;

- guarantee granted by Korporacja Ubezpieczeń Kredytów Eksportowych S.A., at Wielton S.A.'s request, in the amount of PLN 48.0 million (i.e. 80% of the factoring limit) for the period up to 15 November 2025 and subsequently extended up to 30 April 2026 (event after the balance sheet date) to secure the factoring agreement concluded between Wielton S.A. and KUKE Finance S.A. on 21 April 2022, as amended;

- fiscal guarantee issued on 23 March 2020 by the Italian bank Banca Nazionale del Lavoro SpA granted, at the request of Wielton S.A., in favour of the Italian tax office, based on a counter-guarantee by BNP PARIBAS Bank Polska S.A., in the amount of EUR 48.7 thousand to secure the recovery of reimbursed VAT. The guarantee was issued on the basis of the RCF A bilateral loan agreement granted by BNP PARIBAS Bank Polska S.A., thus reducing the available RCF A loan limit by the amount of the guarantee granted. The counter-guarantee period expired in the first quarter of 2025;

- EUR 0.3 million guarantee issued in 2014 by Langendorf GmbH to secure Langendorf Service GmbH's obligations under the framework agreement for the financing of the purchase of commercial vehicles (stock financing agreement) concluded between GEFA Gesellschaft für Absatzfinanzierung mbH and Langendorf Service GmbH. The guarantee will expire when the agreement it secures expires.

In 2024, Wielton S.A. and the companies in the Wielton Capital Group did not grant or receive any other sureties with the exception of those mentioned below.

As at 31 December 2024 the following were valid:

- guarantee granted by Langendorf GmbH on 22 November 2023 for the repayment of Langendorf Polska sp. z o.o.'s liabilities under a commercial contract with Arcelormittal Distribution sp. z o.o. up to EUR 500,000. The surety is effective for liabilities incurred up to 31 December 2025;
- surety granted by Wielton S.A., on 15 May 2023, for the repayment of the liabilities of Langendorf Polska sp. z o.o. under the commercial agreement with Jost Polska sp. z o.o. up to PLN 0.5 million. The surety was effective for liabilities incurred up to 31 December 2024;
- guarantee granted by Wielton S.A., on 7 July 2022, for the repayment of the liabilities of Langendorf Polska sp. z o.o. under the cooperation agreement with FAM sp. z o.o., up to the amount of PLN 50.0 thousand;
- guarantee granted by Langendorf GmbH on 11 February 2022 for the repayment of Langendorf Polska sp. z o.o.'s liabilities under the commercial contract with Salzgitter Mannesmann Stahlhandel up to the amount of EUR 250,000. The surety is effective for liabilities incurred up to 31 December 2025;
- guarantee granted by Langendorf GmbH for the repayment of Langendorf Polska sp. z o.o.'s liabilities under a commercial agreement with thyssenkrupp Materials Poland up to PLN 1 million. The surety was effective for liabilities incurred up to 31 December 2024;
- guarantee granted by Langendorf GmbH for the repayment of Langendorf Polska sp. z o.o.'s liabilities under a commercial agreement with SSAB Poland up to PLN 500 million. The surety is effective for liabilities incurred up to 31 December 2025;
- surety granted by Wielton S.A., on 24 May 2021, for the liabilities of Langendorf Polska sp. z o.o. up to EUR 1.98 million under the lease agreement concluded between Langendorf Polska sp. z o.o. and Deutsche Leasing Polska S.A. The surety is valid until 31 December 2027;
- surety provided by the Kreditanstalt für Wiederaufbau (KfW) to secure the aid loan agreement (in connection with the coronavirus outbreak) between Langendorf GmbH and Sparkasse Vest on 15 April 2020 in the amount of EUR 2.0 million. In connection with the repayment of the debt under the loan agreement, the guarantee provided by KfW expired on 31.12.2024;
- the surety granted on 31 January 2019 by the subsidiaries Fruehauf SAS, Langendorf GmbH, Viberti Rimorchi S.r.l., on 29 April 2019 by the subsidiary OOO Wielton, on 17 January 2023 by Lawrence David Limited and on 22 March 2024 by Aberg Service sp. z o.o. and Wielton Agro sp. z o.o. (each individually hereinafter referred to as Guarantor and collectively as Guarantors) to Powszechna Kasa Oszczędności Bank Polski S.A., BNP Paribas Bank Polska S.A. and Bank Gospodarstwa Krajowego (Lenders) as security for the timely performance by each borrower (other than such Guarantor) of all its obligations under the loan agreement dated 14 December 2018, as amended (Loan Agreement), details of which are provided in the Financial Statements of Wielton S.A. for the 12-month period from 1 January 2024 to 31 December 2024. These companies have undertaken to the Lenders that they will pay the guaranteed liability promptly on demand in the event that any borrower (other than this Guarantor) fails to pay any amount due under the Loan Agreement on time. The aggregate liability of the Guarantors in respect of their guarantees is limited, with respect to each Lender, to an amount equal to 150% of the total exposure of each Lender. As of the date of this report, Wielton S.A. is the only borrower. The sureties also cover the Guarantors' liability for any future

debts of the borrowers that may arise under or in connection with the Loan Agreement. However, in terms of future debts, each surety is time-bound and only covers future debts of the borrowers that will arise by 14 December 2028.

Additionally:

- the obligations and liabilities of Fruehauf SAS under the suretyship shall apply only to the extent required to the extent of the payment obligations and up to a maximum amount equal to the aggregate of all amounts borrowed under the Loan Agreement directly (as borrower) or indirectly (through intra-group loans directly or indirectly from another borrower) and then directly or indirectly lent to Fruehauf SAS and unpaid at the date of enforcement of the suretyship against Fruehauf SAS;

- the obligations of Viberti Rimorchi, in respect of the obligations of any Borrower and Guarantor that is not a subsidiary of Viberti Rimorchi, shall not at any time exceed an amount equal to the aggregate maximum amount of any intra-group loans (or other forms of financial support in any form) granted or made available to Viberti Rimorchi by any Borrower and Guarantor as shown in the most recent financial statements duly approved by the shareholders' meeting of Viberti Rimorchi. In any event, pursuant to Article 1938 of the Italian Civil Code, the maximum amount in respect of which Viberti Rimorchi may be required to pay in respect of its obligations as Guarantor under the Loan Agreement may not exceed PLN 618 million (or its equivalent in any other currency);

- Langendorf GmbH's liability up to the amount of net assets, taking into account the relevant adjustments and the extent of capital impairment. Capital Impairment - if Langendorf GmbH is able to demonstrate that, at the date it became a party to the Loan Agreement, the granting of a suretyship had the effect of reducing the net asset value below the value of its registered share capital (increasing the shortfall in its registered share capital) in breach of Chapter 30 GmbHG (such event will be referred to as a 'Capital Impairment'), then the Lenders may only demand payment under the suretyship from Langendorf GmbH to the extent that there is no Capital Impairment.

The settlement of the costs of the guarantees granted to Wielton S.A. will take place with the expiry of the security instrument in question. The costs of handling will not be different than the applicable market conditions.

12. Risk related to financial instruments

The Group is exposed to risks associated with financial instruments. The Group's financial assets and liabilities by category are presented in note 12.1. The Group is sensitive to the following risks:

- market risk including currency risk,
- credit risk associated with interest rate risk,
- liquidity risk.

The Group's financial risk management is coordinated by the Parent Company, in close cooperation with the managing subsidiaries. The following objectives are of paramount importance in the risk management process:

- hedging short-term and medium-term cash flows,
- neutralising the volatility of the Group's financial result,
- Execution of assumed financial forecasts by meeting budget assumptions,
- achieving a rate of return on long-term investments with the acquisition of optimal sources of financing for investment activities.

The Group does not enter into transactions on the financial markets for speculative purposes. On the economic side, the transactions carried out are hedging against a specific risk.

The derivatives entered into by the Parent Company are cash flow hedges in accordance with the requirements of IFRS 9 (hedging derivatives). The impact of applied hedge accounting on the items in the consolidated statement of profit or loss and other comprehensive income is shown in note no. 12.1.

The most significant risks to which the Group is exposed are set out below.

12.1. Market risk

Analysis of sensitivity to currency risk

Due to the predominant share of transactions in foreign currencies, the Wielton Group is exposed to exchange rate risk. More than 75% of the total sell-side transactions carried out by the Parent Company in 2024 were carried out or indexed in EUR and close to 10% of the total sell-side transactions carried out by the Parent Company in 2024 were carried out or indexed in GBP. Transactions between the entities in the Group were executed in EUR, GBP and PLN. Foreign subsidiaries for which the functional currency is EUR or GBP are not exposed to currency risk. The Group's other foreign companies carry out transactions with the end customer in the local currency of the companies' country of domicile, and as they settle their obligations to Wielton in EUR, the risk of currency pairs such as RUB/EUR, UAH/EUR and BYN/EUR is identified.

On the purchase of materials and services side, the share of transactions carried out in euro reached 55% and covered 67% of the euro exposure on the revenue side (natural hedging). In addition, revenues are covered by the exposure of loans taken out in EUR. The Group has a clear exporter profile characterised by a long open foreign exchange position. It can be seen from the above that the Group's exposure to currency risk arises from overseas sales transactions, which are entered into by the parent company in EUR and GBP and by the other companies in local currency. The Group regularly monitors and conducts a calculation of risk measures. The foreign exchange hedging strategy for 2024 involved hedging an appropriate proportion of the exposure of future foreign exchange flows with forward contracts with an appropriately adopted tenor of several months.

In applying exchange rate hedging transactions, the Group does not enter into transactions on the financial markets for speculative purposes.

The Group's financial assets and liabilities, other than derivatives denominated in foreign currencies, translated into PLN at the closing rate prevailing at 31.12.2024 are as follows:

As at 31.12.2024

	EUR	USD	GBP	RUB	After calculation
Financial assets (+)	**-**	**-**	**-**	**-**	**-**
Loans	-	-	-	-	**-**
Other financial assets	-	-	-	-	**-**
Receivables due to deliveries and services and other financial receivables	45,595	-	4,966	-	**220,371**
Cash and cash equivalents	904	1	11	-	**3,932**
Financial liabilities (-)					
Credits, loans and other debt securities	-67,080	-	-9,386	-	**-334,790**
Liabilities due to lease	-3,779	-	-	-	**-16,151**
Liabilities due to deliveries and services and other financial liabilities	-45,599	-1	-412	-	**-197,069**
Total	**-69,959**	**-**	**-4,821**	**-**	**-323,707**

As at 31.12.2023

	EUR	USD	GBP	RUB	After calculation
Financial assets (+)	-	-	-	-	**-**
Loans	-	-	-	-	**-**
Other financial assets	-	-	-	-	**-**
Receivables due to deliveries and services and other financial receivables	55,001	-	4,363	-	**260,897**
Cash and cash equivalents	2,206	1	109	-	**10,156**
Financial liabilities (-)					
Credits, loans and other debt securities	-51,819	-	-10,374	-	**-243,724**
Liabilities due to lease	-501	-	-	-	**-2,821**
Liabilities due to deliveries and services and other financial liabilities	-65,017	-16	-153	-5,302	**-282,978**

Total	**-60,130**	**-15**	**-6,055**	**-5,302**	**-258,470**

As at 31 December 2024, the Group did not have open derivative financial instruments (financial assets and liabilities) which constitute an exposure to the exchange risk for the Group.

A sensitivity analysis of the valuation of financial assets and liabilities denominated in euro and other foreign currencies and its impact on the financial result is presented below. The impact of currency pairs other than EUR/PLN, GBP/PLN is negligible.

The sensitivity analysis of the valuation illustrates the effect of a potential increase or decrease in the EUR/PLN, GBP/PLN, RUB/PLN exchange rates by 10% relative to the closing rate prevailing at the respective reporting dates.

It should be taken into account that currency derivatives compensate for the effect of exchange rate fluctuations and therefore it is assumed that the exposure to valuation risk is related to the financial instruments (receivables and liabilities in currency) held by the Group as at the respective reporting dates and is adjusted for the position in derivatives in the form of forward contracts which are the primary hedging instrument under the Group's hedging policy.

As at 31.12.2024

Impact on the financial result	EUR	USD	GBP	RUB	Other	Total
Increase of exchange rate (+10%)	-20,786		-282	-		-21,068
Decrease of exchange rate (-10%)	20,786		282	-		21,068

As at 31.12.2023

Impact on the financial result	EUR	USD	GBP	RUB	Other	Total
Increase of exchange rate (+10%)	-22,146		1,115	-23		-21,054
Decrease of exchange rate (-10%)	22,146		-1,115	23		21,054

Exposure to currency risk fluctuates during the year depending on the volume of transactions carried out in the currency. Nevertheless, the above sensitivity analysis can be considered representative of the Group's exposure to currency risk at the reporting date.

Interest rate risk sensitivity analysis

Interest rate risk management focuses on minimising fluctuations in interest flows on financial assets and liabilities bearing a variable interest rate. The Group is exposed to interest rate risk in connection with the following categories of financial assets and liabilities:

- loans,
- credits, other debt securities,
- lease.

The characteristics of the above instruments, including variable and fixed interest rates, are set out in notes 10.11.

A sensitivity analysis of the financial result in relation to a potential upward and downward fluctuation of the interest rate by 1% in 2024 is presented in the table below. The calculation was made on the basis of a change in the average interest rate applicable during the period by (+/-) 1 % for debt exposures denominated in PLN and sensitive to interest rate changes, i.e. those bearing a variable interest rate.

As at 31.12.2024

	impact on result	Impact on OCI
Interest rate increase (+1%)*	-4,964	-
Interest rate decrease (-1%)*	4,964	-

**on debt exposure denominated in PLN*

As at 31.12.2023

	impact on result	Impact on OCI
Interest rate increase (+1%)	-3,940	-
Interest rate decrease (-1%)	3,940	-

12.2. Credit risk

The Group's maximum exposure to credit risk is determined by the value of the following financial assets and contingent liabilities:

	31.12.2024	31.12.2023
Loans	10,139	10,184
Receivables due to deliveries and services and other financial receivables	262,450	407,860
Derivative financial instruments	-	-
Cash and cash equivalents	78,909	90,568
Contingent liabilities due to guarantees and sureties granted	10,861	11,449
Total credit risk exposure	**362,359**	**520,061**

As at 31 December 2024, the Group applies the three-step impairment model for financial assets measured at depreciated cost, as described in the accounting policies in note 9.3.

The accounting policies and credit risk information used to date are presented in the financial statements for the year ended 31 December 2024 in note 9.3.4.

The classification of financial assets measured at depreciated cost into the various stages of the impairment model is set out below:

	IFRS 9 31.12.2024				IFRS 9 31.12.2023			
	Step 1	**Step 2**	**Step 3**	**Total**	**Step 1**	**Step 2**	**Step 3**	**Total**
Gross value:								
- loans granted	10,139	-	-	10,139	10,184	-	-	10,184
- Cash and cash equivalents	78,909	-	-	78,909	90,568	-	-	90,568
Value (IFRS 9)	**89,048**	**-**	**-**	**89,048**	**100,752**	**-**	**-**	**100,752**

12.3. Liquidity risk

The Group is subject to liquidity risk, i.e. the loss of the ability to settle obligations in a timely manner.

The Group manages liquidity risk by monitoring payment terms and cash requirements in terms of servicing short-term payments (current transactions monitored on a weekly basis) and long-term cash requirements based on cash flow forecasts updated on a monthly basis. Cash requirements are compared with available sources of funds, including by assessing the ability to obtain financing in the form of loans and working capital operations).

At 31.12.2024, the Group's financial liabilities, other than derivatives, were within the following maturity ranges:

As at 31.12.2024

	up to 6 months	6-12 months	1-3 years	3-5 years	over 5 years	Cash flows total before discounting
Loans on loan account	9,981	260,438	3,362	2,553	1,216	277,550

Loans on current account	129,221	106,361	-	-	-	**235,582**
Loans	4,273	-	-	-	-	**4,273**
Debt securities	22,949	22,949	-	30,287	-	**76,185**
Liabilities due to lease	9,570	11,735	55,666	4,124	29,653	**110,748**
Liabilities due to deliveries and services and other financial liabilities	294,238	120,440	-	-	-	**414,678**
Total exposure to liquidity risk	**470,232**	**521,923**	**59,028**	**36,964**	**30,869**	**1,119,016**

As at 31.12.2023

	up to 6 months	6-12 months	1-3 years	3-5 years	over 5 years	Cash flows total before discounting
Loans on loan account	26,435	18,118	165,180	-	-	**209,733**
Loans on current account	115,674	105,324	-	-	-	**220,998**
Loans	21,575	-	19,121	120	-	**40,816**
Liabilities due to lease	5,151	1,985	26,826	6,734	-	**40,696**
Liabilities due to deliveries and services and other financial liabilities	508,451	76,308	-	-	-	**584,759**
Total exposure to liquidity risk	**677,286**	**201,735**	**211,127**	**6,854**	**-**	**1,097,002**

The table shows the contractual value of liabilities, without taking into account the effect of discounting due to the measurement of liabilities at depreciated cost, hence the amounts presented may differ from those recognised in the consolidated statement of financial position.

At the respective reporting dates, the Group also had free credit limits in current accounts as follows:

	31.12.2024	31.12.2023
Credit limits granted	259,198	240,117
Used overdrafts	207,745	189,207
Free overdrafts	51,453	50,910

13. Capital management

The Group manages capital to ensure the Group's ability to continue as a going concern and to provide the expected rate of return to shareholders and other stakeholders in the Group's financial standing.

The Group monitors capital management based on the following measures as at 31 December 2024:

- a ratio of net financial debt/EBITDA (i.e. liabilities from leases, loans, borrowings and other interest-bearing debt instruments less cash) to EBITDA (operating profit plus depreciation costs) of no more than 3.5.
- a debt service coverage ratio of not less than 1.25.

Both the Wielton Group and the Parent Company are not subject to other external capital requirements.

The company manages its commercial debt by negotiating with suppliers and customers, payment terms for payables and receivables. The cash flow from customers is used to settle obligations to suppliers in the order in which they fall due.

During the period covered by the consolidated financial statements, the ratios shown above were as follows:

Cash flows*	31.12.2024	31.12.2023
Cash at the beginning of the period	241,045**	164,172**
Investments in assets at the beginning of the period	-	-
Operating cash flows	6,945***	289,361***
Capital expenditure (excluding capital expenditure financed by investment loans, leases, grants, insurance contract indemnities and sale of assets)	67,809	175,823

Payments from profits for the shareholders	-	24,150
Debt service**		
Principal instalments on loans and leases excluding principal amounts that can be drawn again	59,265	102,406
Interest on lease	1,921	1,902
Interest and commission paid on credits	30,042	27,911
Debt service coverage ratio	**1.98**	**1.92**
EBITDA:		
Profit (loss) on operating activities	-104,370	129,914
Depreciation	87,126	76,666
EBITDA	-17,244	206,580
Debt:		
Credits, loans and other debt securities	581,573	453,672
Lease	110,398	69,242
Cash and cash equivalents	78,909	90,568
Net debt	613,062	432,346
Net debt/EBITDA ratio	**-35.55**	**2.09**

*Data for the consecutive 12-month period ending on the reporting date.
** Cash plus available funds from overdrafts
*** Operating cash flow adjusted for liabilities for financed invoices included in financing activities.

14. Significant events after the reporting period

Modification of support conditions for investments in the Municipality of Wieluń

On 13 January 2025, Wielton S.A. received from the Minister of Development and Technology a decision to amend the decision of the Management Board of the Łódź Special Economic Zone acting on behalf of the Minister responsible for economy of 24 August 2022 to support the Company's new investment realised in Wieluń and in the towns of Urbanice and Widoradz, Wieluń municipality ("Support Decision"). The investment consists of the expansion and modernisation of the machinery and technology park, the reorganisation of production processes, the reconstruction of existing and construction of new facilities to support production functions, as well as the expansion of the necessary supporting infrastructure, through which the Company intends to increase the production capacity of the existing plant. Under the terms of the Support Decision, the Company is to incur eligible costs totalling PLN 50 million, of which expenditures of PLN 45 million will be incurred by 31 December 2027 and expenditures of PLN 5 million related to the lease of the property by 31 December 2032. The investment should be completed by 31 December 2027. The maximum intensity of regional aid granted to the Company is 40%, so the maximum possible amount of state aid to which the Company is entitled will be PLN 20 million. The Support Decision was issued for a fixed term of 15 years.

The amendment of the Support Decision took place with regard to conditions related to employment. According to the amended terms of the Support Decision, the Company should create at least 1 new job at the development site by 31 December 2026 (previously the deadline was 31 December 2023) and maintain a total employment of at least 1,930 FTEs at the development site by 31 December 2027 (previously the deadline was 31 December 2024). The other conditions of the Support Decision remain unchanged. The above change was made at the Company's request due to the current market situation in the transport industry.

The Company announced the amendment of the Support Decision in current report No. 2/2025 dated 13 January 2025.

Signing of an annex to the loan agreement for the financing of the Wielton Group - RCF Credit D

On 17 January 2025, Wielton S.A. concluded an addendum to the Loan Agreement with the Consortium of Banks with regard to the terms of use of the RCF D Loan. For details, see above under Significant agreements and events.

The Company announced the signing of the annex in current report No. 3/2025 of 17 January 2024.

15. Other information

15.1. Selected financial data converted into EUR

In the periods included in the consolidated financial statements, the selected financial data was converted using the following average PLN/EUR exchange rate determined by the National Bank of Poland (NBP):

- exchange rate applicable on the last day of the accounting period: 31 December 2023 EUR/PLN 4.3480, 31 December 2024 EUR/PLN 4.2730,
- average exchange rate in the period, calculated as the arithmetic average of the rates in effect on the last day of each month in the period: 1 January - 31 December 2023 EUR/PLN 4.5284, 1 January - 31 December 2024 EUR/PLN 4.3042,
- The highest and lowest rates applicable in each period were as follows: 1 January - 31 December 2023 EUR/PLN 4.7895, EUR/PLN 4.3053, 1 January - 31 December 2024 EUR/PLN 4.4016, EUR/PLN 4.2499.

The main items in the consolidated statement of financial position, consolidated statement of profit or loss and consolidated statement of cash flows, translated into euro, are shown in the table:

	from 01.01.2024 to 31.12.2024 PLN thousand	from 01.01.2023 to 31.12.2023 PLN thousand	from 01.01.2024 to 31.12.2024 EUR thousand	from 01.01.2023 to 31.12.2023 EUR thousand
Statement of profit or loss				
Revenue from sales	2,104,751	3,225,223	488,999	712,221
Profit (loss) on operating activities	-104,370	129,914	-24,248	28,689
Profit (loss) before tax	-144,483	117,154	-33,568	25,871
Net profit (loss)	-147,144	103,963	-34,186	22,958
Net profit (loss) for the shareholders of the dominating entity	-141,884	105,865	-32,964	23,378
Profit per share (PLN)	-2.35	1.75	-0.55	0.39
Diluted profit per share (PLN)	-2.35	1.75	-0.55	0.39
Average PLN/EUR exchange rate in the period			**4.3042**	**4.5284**
Cash flow statement				
Net cash on operating activity	-38,952	271,950	-9,050	60,054
Net cash on investment activities	-67,372	-171,642	-15,653	-37,903
Net cash from financial activities	103,403	-138,942	24,024	-30,682
Movement of net cash and cash equivalents	-2,921	-38,634	-679	-8,531
Average PLN/EUR exchange rate in the period			**4.3042**	**4.5284**

Statement of the financial position	PLN thousand 31.12.2024	PLN thousand 31.12.2023	EUR thousand 31.12.2024	EUR thousand 31.12.2023
Assets	1,874,851	2,002,354	438,767	460,523
Long-term liabilities	230,383	268,580	53,916	61,771
Short-term liabilities	1,163,314	1,106,469	272,248	254,478
Equity capital	481,154	627,305	112,603	144,274
Equity capital for the shareholders of the dominating entity	478,760	619,472	112,043	142,473
PLN/EUR exchange rate at the end of the period			**4.2730**	**4.3480**

15.2. Remuneration for the members of the Parent Company's Management Board

The total value of remuneration and other benefits payable for 2024 and the comparative period, including the provision for the bonus for the Members of the Parent Company's Management Board, amounted to:

	In the Parent Company: Remuneration	In the Parent Company: Other benefits	In subsidiaries and affiliates: Remuneration:	In subsidiaries and affiliates: Remuneration for the provided services	In subsidiaries and affiliates: Other benefits	Total
period from 01.01.2024 to 31.12.2024						
Paweł Szataniak	252	6	-	2,136	-	2,394
Mariusz Golec	216	6	-	1,975	-	2,197
Piotr Kuś	250	6	-	1,114	-	1,370
Włodzimierz Masłowski	216	6	-	1,263	-	1,485
Tomasz Śniatała	192	7	-	1,030	-	1,229
Andrzej Mowczan	192	7	-	1,082	-	1,281
Maciej Grzelązka	182	7	-	987	-	1,176
Total	**1,500**	**45**	**-**	**9,587**	**-**	**11,132**

	In the Parent Company: Remuneration	In the Parent Company: Other benefits	In subsidiaries and affiliates: Remuneration	In subsidiaries and affiliates Remuneration for the provided services	In subsidiaries and affiliates: Other benefits	Total
period from 01.01.2023 to 31.12.2023						
Paweł Szataniak	841	6	-	1,435	-	2,282
Mariusz Golec	773	6	-	1,309	-	2,088
Piotr Kuś	670	6	-	752	-	1,428
Włodzimierz Masłowski	638	6	-	702	-	1,346
Tomasz Śniatała	543	6	-	617	-	1,166
Andrzej Mowczan	543	7	-	617	-	1,167
Maciej Grzelązka	483	7	-	576	-	1,066
Total	**4,491**	**44**	**-**	**6,008**	**-**	**10,543**

In addition, compensation of PLN 617 thousand was paid to Mr. Piotr Kamiński under the post-employment non-competition agreement in 2023.

Other information on key management personnel is presented in note 10.1.

15.3. Remuneration for the Members of the Supervisory Board of the Parent Company

The total value of remuneration and other benefits for members of the Parent Company's Supervisory Board amounted to:

	In the Parent Company: Remuneration	In the Parent Company: Other benefits	In subsidiaries and affiliates: Remuneration	In subsidiaries and affiliates: Other benefits	Total
period from 01.01.2024 to 31.12.2024					
Mariusz Szataniak	186	-	-	-	186
Krzysztof Półgrabia	140	-	-	-	140
Krzysztof Tylkowski	140	-	-	-	140
Tadeusz Uhl	140	-	-	-	140
Waldemar Frąckowiak	279	-	-	-	279
Piotr Kamiński	140	-	-	-	140
Total	**1,025**	**-**	-	-	**1,025**

	In the Parent Company: Remuneration	In the Parent Company: Other benefits	In subsidiaries and affiliates: Remuneration	In subsidiaries and affiliates: Other benefits	Total
period from 01.01.2023 to 31.12.2023					
Mariusz Szataniak	167	-	-	-	167
Krzysztof Półgrabia	125	-	-	-	125
Krzysztof Tylkowski	125	-	-	-	125
Tadeusz Uhl	125	-	-	-	125
Waldemar Frąckowiak	251	-	-	-	251
Piotr Kamiński	125	-	-	-	125
Total	**918**	**-**	-	-	**918**

15.4. Remuneration of the auditing company

Remuneration for the certified auditor or auditing company paid or due for the accounting year:

	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.12.2023
Audit of financial statements	368	306
Other assurance services, including review of financial statements	468	228
Other services	28	28
Total auditor’s remuneration	**864**	**562**

15.5. Employment

As at 31.12.2024, the Group's breakdown by professional group was as follows:

	31.12.2024	31.12.2023
Wielton Group, including:	3,095	3,448
Wielton S.A.	1,604	2,006

16. Other factors affecting the Group's financial statements

No other factors affecting the Group's financial statements beyond those described in the notes have been identified.

17. Approval for publishing

The consolidated financial statements for the year ended on 31 December 2024 (including comparative figures) were approved for publication by the Company's Management Board on 30 April 2025.

Signatures of all members of the Management Board

Date	Name and surname	Function	Signature
30 April 2025	Paweł Szataniak	President of the Management Board	
30 April 2025	Mariusz Golec	Vice-president of the Management Board	
30 April 2025	Tomasz Śniatała	Member of the Management Board	
30 April 2025	Włodzimierz Masłowski	Member of the Management Board	

30 April 2025	Andrzej Mowczan	Member of the Management Board	
30 April 2025	Maciej Grzelązka	Member of the Management Board	

Signatures of the person responsible for the preparation of the consolidated financial statements

Date	Name and surname	Function	Signature
30 April 2025	Monika Hojan	Director of Reporting and Finance of Wielton Group Shared Service Center	

Signature of the Chief Accountant of the Parent Company

Date	Name and surname	Function	Signature
30 April 2025	Aneta Piekarek	Chief Accountant