2022

ANNUAL REPORT

Amica Capital Group
for the year ended 31 December 2022

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Amica Capital Group

MANAGEMENT BOARD'S REPORT ON COMPANY OPERATIONS INCLUDING NON-FINANCIAL INFORMATION FOR 2022

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1.
THE MOST IMPORTANT EVENTS AND FACTS OF 2022

The year 2022 was one of the most demanding in the company's history. As a consequence of the armed conflict in Ukraine, the Amica Group had to face many challenges, of both business and social nature, in particular in terms of limiting production to those markets and due to sanctions imposed on Russia and Belarus.

For this reason, in 2022, ongoing monitoring of all sanctions and measures of the European Commission imposed on entities from Russia and Belarus was implemented, and a special document was developed to ensure that partners and suppliers comply with all sanctions and indications of the European Commission against entities from both countries.

3,415.8

million zł of sales revenue in 2022

71

our products are sold in this many countries

17.7%

this is our share in the Polish household appliances market

72.1%

it is part of the sales we carry out outside of Poland

3.1

thousands of employees in the Amica Capital Group

3.4

million zł was donated to social initiatives and programmes addressed to nationwide and local communities, as well as to help refugees from Ukraine

2. LETTER FROM THE PRESIDENT OF THE MANAGEMENT BOARD

DEAR BUSINESS PARTNERS,

An exceptionally difficult year in the history of our company is behind us. When it seemed that after two years of pandemic, societies and enterprises around the world would be able to return to some stability, war broke out in Ukraine. The dramatic events beyond the eastern border have redefined geopolitics not only in the region of Central and Eastern Europe, but also on a global scale. Russian aggression against Ukraine has once again driven business to a level of unpredictability that makes long-term planning impossible. Many companies around the world have faced difficult decisions to change their business model, including the Amica Group.

The risks we faced in 2022 are still valid. We are facing an economic slowdown, persistently high inflation. The unpredictable course of the war means that the risks associated with the energy and food crises remain valid. In addition, worrying signals are coming from Asia, not only regarding the ineffectiveness of the zero-covid policy, but also the geopolitical situation with a potential conflict involving China and the United States.

As I informed 12 months ago, in 2021 we started working on a new business strategy for the Group. However, due to the geopolitical situation we have been facing since the outbreak of the war in Ukraine, we had to stop this process. Reliable estimation of financial data in the long run has become unrealistic. However, this did not stop us from building the Environmental, Social and Governance (ESG) Strategy, in which we set ourselves ambitious environmental, social and management goals.

We are aware of climate change and the needs of the communities in which we operate. We want to be part of the change for the better, which is why we will continue our efforts to decarbonise our production and focus on social responsibility. We plan to achieve environmental neutrality by 2040, and eliminate wage inequalities by 2030, while remaining a socially sensitive partner. We also continue to work on the development of eco-design products, which I hope you will see later this year.

Human rights are a complex issue that necessitates a thorough examination of our entire value chain. While we in Europe may have a strong understanding of human rights, it is important to ensure that our business partners outside the continent also adhere to these standards. As such, we are committed to being a dependable partner in the supply chain and ensuring full transparency with our stakeholders. This is an initiative that we will continue to develop in the years to come.

Our primary objective in the ESG sphere is to establish ourselves as a robust and sustainable European producer of household appliances that makes a positive impact on society. I sincerely hope that we will prove it with each subsequent sustainable development report, which is part of our annual report. This year, we are providing even more comprehensive and transparent information as a result of our successful efforts to enhance the reporting process throughout the entire Group.

For the first time, we consolidated data from all companies, which caused some indicators to increase even though we in fact managed to reduce them. Nonetheless, we confidently present these indicators as credibility is the cornerstone of building trust in our business and relationships with stakeholders.

Despite the numerous risks present in our environment, I hope that 2023 will bring stability, increased predictability, and security, particularly beyond our eastern border. This is my wish for both myself and for you.

Enjoy!,

Jacek Rutkowski
President of the Management Board of Amica SA

2. RATINGS AND AWARDS THAT THE AMICA GROUP WAS HONOURED WITH IN 2022

CDP is one of the leading agencies specialising in ESG rating. The Amica Capital Group received a “C” rating, meaning commitment at the level of Awareness. The Awareness Assessment measures a company's versatility in how it relates environmental issues to its operations and the impact of its activities on people and ecosystems.

The Amica Capital Group was among 21 listed companies that are aware of climate risks. The Corporate Climate Crisis Awareness study takes into account data provided in 152 non-financial annual reports of issuers listed on the Warsaw Stock Exchange. The Amica Group received 7 out of 10 points with an average of 2.71 for the audited year.

Distinction in the “EkoSymbol” programme awarded by the editors of “Monitor Rynkowy” and “Monitor Biznesu.” The jury appreciated the Group's investments related to its commitment to sustainable development, social responsibility and ecology.

Award for merits in entrepreneurship and investment, awarded by the Kostrzyn-Słubice Special Economic Zone.

The Amica Group was ranked third in the category of durable consumer goods production in the prestigious Poland's Best Employers 2022 ranking of the Forbes monthly. This is another appreciation of the workplace created by the Polish manufacturer of household appliances in 2022.

Distinction in the ranking of the 50 best Polish employers by Wprost.

The sponsorship project for the Spanish brand Fagor won second place in the 2021 Sponsorship Debut category in the Sport Biznes Polska competition. The award for the Amica Group is the result of the start of cooperation between the Fagor brand and women's football clubs: Atletico Madrid and Olympique Lyonnais.

3.
SELECTED FINANCIAL DATA

TABLE 1:
Amica Group in 2022

SALES REVENUE	TOTAL ASSETS	EQUITY CAPITAL
3,415.8 million zł	2,197.9 million zł	1,107.0 million zł
vs 3,433.9 million zł	vs 2,509.4 milliom zł	vs 1,142,9 million zł
(0,5)%	(12,4)%	(3,1)%

EBITDA MARGIN	INVESTMENT OUTLAYS
2.6 %	84.4 million zł
vs 6,4%	vs 86.9 million zł
(3,8)p.p.	(2,9)%

4. BUSINESS STRATEGY, INCLUDING THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE STRATEGY OF AMICA GROUP

4.1. Amica Group products and brands

[GRI 2-1, GRI 2-6]

The Amica Capital Group is the largest Polish manufacturer of household appliances, a leader on the domestic market (share at about 17.7%), a strong brand in Poland with recognition above 80% and one of the largest household appliances companies in Europe. The main activity of the Group is the production and sale of household appliances and the sale of maintenance electrical and gas equipment services.

The company's headquarters is located in Wronki at ul. Mickiewicza 52 in Poland and at the same time it is the main production site, and the shares of the parent company (Amica S.A.) are listed on the Warsaw Stock Exchange. Due to its commercial business in various countries, the Group also has offices in Spain, France, Great Britain, Denmark, Germany, Ukraine, the Czech Republic, Russia and Kazakhstan.

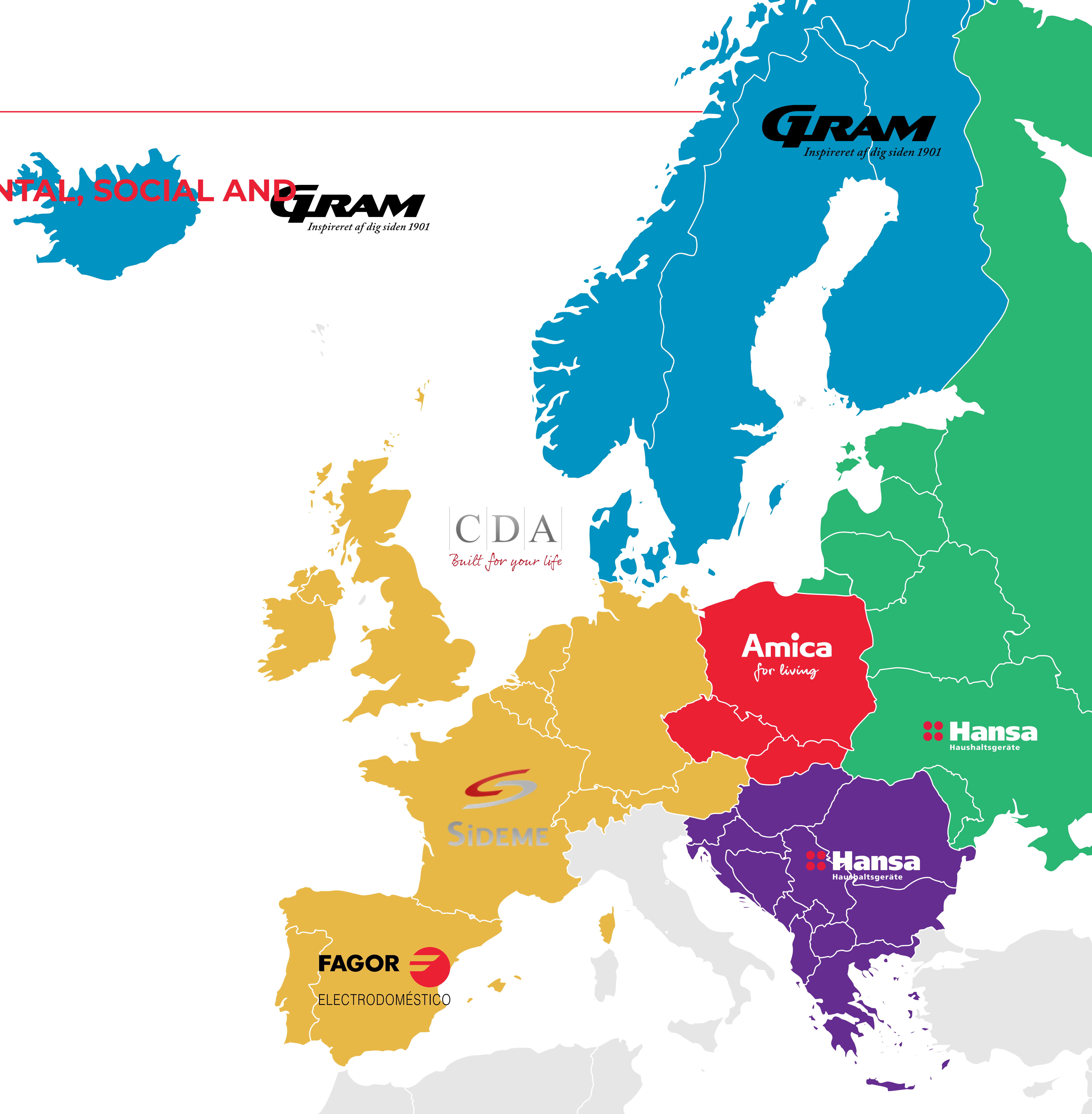


TABLE 2:

Brands that are part of the Amica Capital Group

[GRI 2-2]

Amica
for living

FAGOR
ELECTRODOMÉSTICO

Hansa
Haushaltsgeräte

AMICA remains the most famous and recognisable brand on the Polish household appliances market, which has been confirmed by industry surveys and surveys for years. In 2022, the brand consistently continued the implementation of the strategy based on emphasizing the usefulness of the offered products (for living) and adapting to the real needs of today's consumers. The brand emphasised its line of household appliances with steam functions (in addition to ovens, it also offers dishwashers and washing machines).

One of the most famous and popular Spanish brands of household appliances in the Iberian Peninsula, North Africa and Latin America. Fagor brand products are primarily large kitchen appliances characterised by high quality at a very affordable price. The brand is known not only for the production of home appliances, but also commercial units, used in other industries on 5 continents. 2022 was a continuation of the reconstruction of the brand's strong market position in Spain. The Fagor brand emphasised cooperation with women's football clubs Atletico Madrid and Olympique Lyon.

Hansa is a brand present in over 20 countries and preferred on the markets of Eastern Europe. Hansa kitchen appliances help to create a comfortable and friendly kitchen environment. They also feature innovative technologies, modern design and quality at an affordable price. Hansa is also developing dynamically on Asian markets, gaining more and more popularity, which translated into sales results on the Kazakh market, and then the establishment of a dedicated company there tasked with further sales development and maintaining high brand positioning.

Table 2, continued:

Brands and distribution companies that are part of the Amica Capital Group

[GRI 2-2]

GRAM is a Danish brand with over 120 years of tradition specialising in large household appliances. GRAM brand products are characterised by Scandinavian design and high quality of workmanship. In 2022, a special communication campaign was launched, which will be continued in the coming years, supporting brand recognition and sales in markets such as Denmark, Finland and Norway, as well as in the most demanding Swedish market. The brand is perceived as prestigious, primarily due to its long history and reputation.

CDA is a British, popular brand of kitchen appliances. Thanks to its own goods delivery solution, it maintains direct relationships with consumers. The 9-acre facility in Nottinghamshire is home to the brand, but also includes a state-of-the-art research laboratory, warehouse facilities and its own customer service centre. Thanks to this, CDA can deliver an appliance to every household within 24 hours. CDA is the fastest growing appliance manufacturer in the UK and an industry leader in product categories such as wine coolers.

Amica S.A. participates in shaping the economic and social environment locally and throughout Poland and is a member of the following organisations:

[GRI 2-28]

- APPLIA Polska – Association of Small Home Appliances Employers, in which the Amica Group actively participates and engages in work aimed at protecting the interests of manufacturers of household appliances
- Association of Stock Exchange Issuers, which is an organisation supporting companies listed on the Warsaw Stock Exchange in reporting, legal issues and good practices of public companies.
- Polish-Russian Chamber of Commerce and Industry (PRIHP)
- Greater Poland Council of Thirty
- Greater Poland Chamber of Commerce and Industry
- University Council of the Poznań University of Economics and Business
- Responsible Business Forum (pol. FOB): The Amica Group is an active member of this organisation, which is a platform for the exchange of knowledge and good sustainable development practices.

4.2.
Structure of the Group

The Amica Capital Group consists of the parent company Amica S.A. and 15 subsidiaries with their registered offices in Poland, Spain, France, Great Britain, Denmark, Germany, Ukraine, the Czechia, Russia and Kazakhstan. All the indicated subsidiaries are subject to full consolidation.

As the parent company, AMICA S.A. defines the Group's development strategy and, by participating in the statutory bodies of its subsidiaries, makes key decisions regarding both the scope of operations and finances of the entities making up the Group. The capital ties of AMICA S.A. with the Group companies strengthen the ties of a commercial nature.

AMICA CAPITAL GROUP

PRODUCTION	TRADE AND DISTRIBUTION	ACTIVITIES SUPPORTING SPACE LEASE
Amica S.A. Parent company	**Amica Handel i Marketing sp. z o.o.** 100% Poland	**Inteco Business Solutions sp. z o.o.** 100% Poland
Marcelin Management sp. z o.o. 100% Poland	**Electrodomesticos Iberia S.L.** 100% Spain	**Nowa Panorama Sp. z o.o.** 100% of shares are held by Marcelin Management Sp. z o.o.
	Sideme S.A. 95% France	**Nowe Centrum Sp. z o.o.** 100% of shares are held by Marcelin Management Sp. z o.o.
	The CDA Group Limited 100% Great Britain	**Stadion Poznań Sp. z o.o.** 100% Poland
	Gram Domestic A/S 100% Denmark	
	Amica International GmbH 100% Germany	
	Hansa Ukraina OOO 100% Ukraine	
	Amica Commerce s.r.o. 100% Czechia	
	Hansa OOO 100% Russia	
	Hansa Central Asia TOO 100% Kazakhstan	

4.3. Customer focus

[GRI 3-3] [GRI 416-2] [proprietary indicator]

An important reporting issue:

Product quality and safety and customer service

For years, the Amica brand has been guided by one goal – to create functional appliances adapted to the changing requirements and needs of consumers, who are the most important stakeholder group. There fore Amica products are a combination of innovative technological solutions, ensuring safety, efficiency and aesthetics.

Strategy for introducing new products to the market

Research and marketing campaigns are carried out by Amica Handel i Marketing Sp. z o. o The Group conducts continuous tracking research and cyclical ethnographic research, in which users test Amica products at their homes. Based on their input we create strategies of product implementation and promotion.

Customer Service

In 2022, the Amica Group introduced the Customer Care Strategy for 2023-2030, the aim of which is to gain a competitive advantage in terms of customer satisfaction. One of the 8 indicators that measure the fulfillment of the Customer Care strategy is Customer Satisfaction Score (CSAT), which is to reach 90% in 2025.

Product use

In 2022, the Amica Group started providing simplified operating instruction for all heating appliances. Each manual uses a more accessible language and contains a QR code, which, after scanning, sends you to the product's website. The changes introduced were aimed at improving the customer's experience with the product, increasing the safety of use through clearer instructions and care for the environment by reducing the amount of paper used in the printing process. All the most important information on the correct use of the appliances and full instructions can be found at support.amica.pl

Product quality and safety

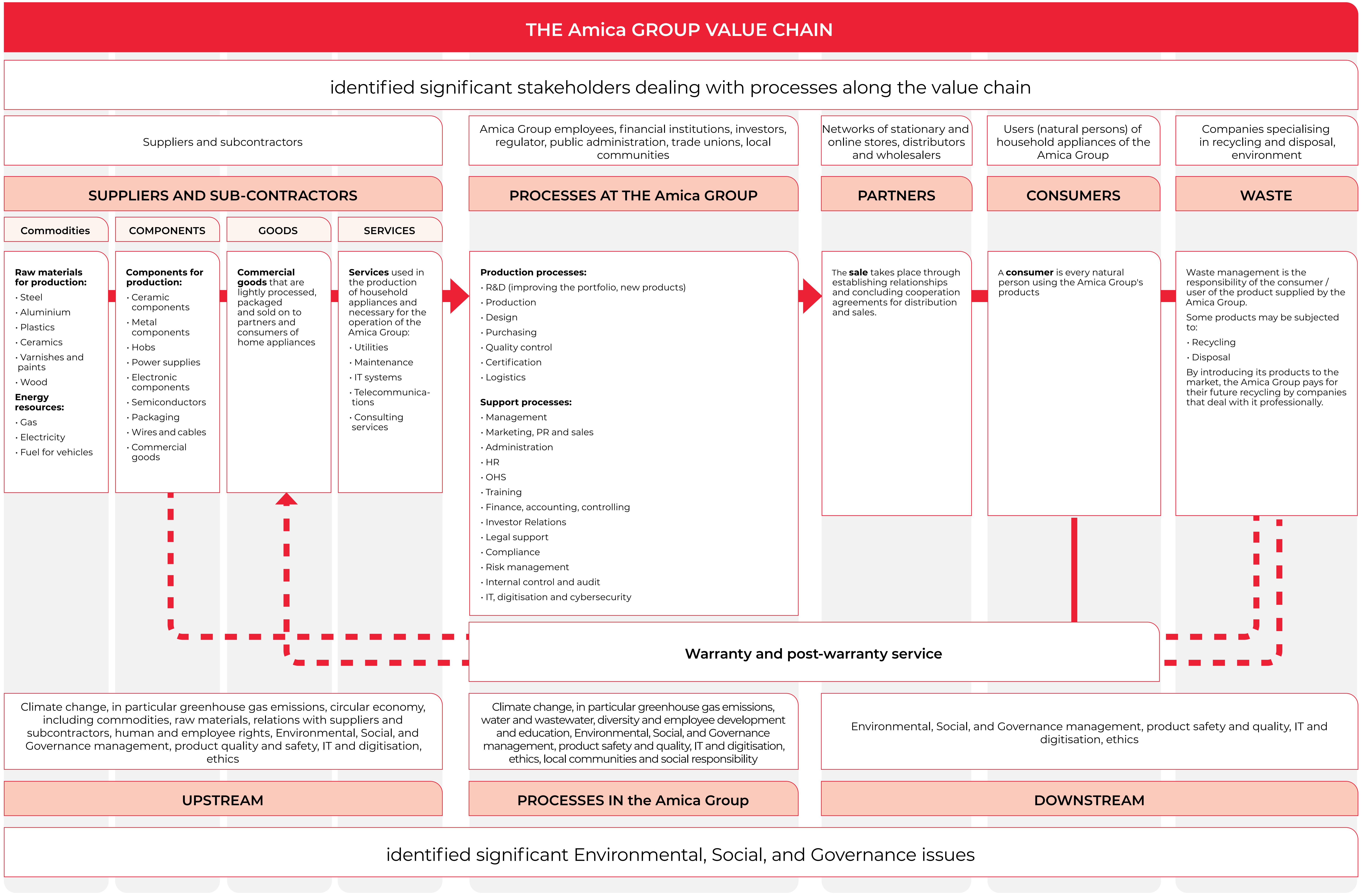
In 2022, the Amica Group took steps to facilitate access to information for household appliances users and support them in the use of products. Therefore, from 1 July, the working hours of the Customer Service department in Poland have been extended. Currently, customers can contact consultants on weekdays, between 8:00 and 18:00. In addition, in May 2022, the Amica online store was launched which offers product and home accessories. The company offers fully secure payment methods, a full manufacturer's warranty and product delivery within 24 hours. To better accommodate consumer needs, Amica has extended its return policy from the standard 14 days to 30 days.

In 2022, the Amica Group did not register cases of non-compliance with regulations regarding the health and safety of its products.

4.4. Business model and value chain

[GRI 2-6]

The value chain model was created by analyzing material flows and business processes within the Capital Group. It serves as the foundation for calculating greenhouse gas emissions and assessing the Group's impact on ESG issues and stakeholders.

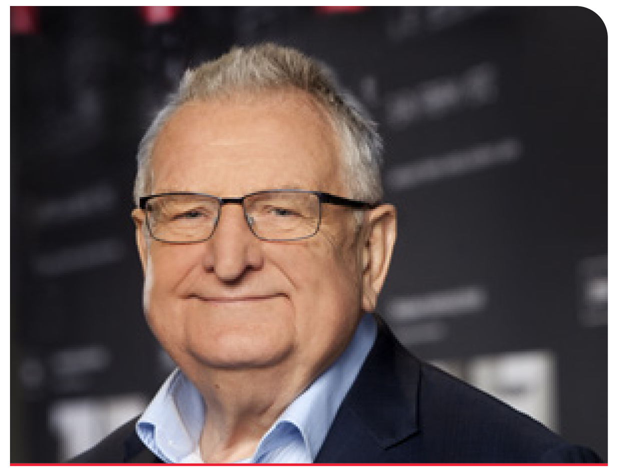


4.5. The Management Board and Supervisory Board of Amica S.A.

[GRI 2-9, GRI 2-11, GRI 2-12, GRI 2-13]

Management

As at 31 December, 2022, the Management Board of Amica S.A. was composed of:



JACEK RUTKOWSKI

President of the Management Board of Amica Group

Guides the work of the Management Board, shaping the Company's strategy, including business development.

MARCIN BILIK

Vice President of the Management Board responsible for Operations

Manages production activities, the product research and development department, the certification and ecology department, investments and maintenance, the component purchasing department, the health and safety and fire protection department, and the quality management department.

ALINA JANKOWSKA-BRZÓSKA

Vice-President of the Management Board for Trade and Marketing

Conducts all work related to commercial and marketing activities in all companies of the Amica Capital Group

ROBERT STOBIŃSKI

Member of the Management Board for Digitisation, Logistics and Goods Management.

IT system management, supervision over data security and technological development of the Group.

MICHAŁ RAKOWSKI

Member of the Management Board for Finance and Human Resources

Responsible for financial management of the Amica Capital Group, including management of the accounting department, treasury, controlling and ESG management in corporate governance, compliance, risk and strategic management of the human resources department.

In 2022, Błażej Sroka left the Management Board and Robert Stobiński took over his duties.

Supervisory Board

In 2022, there were changes in the composition of the Supervisory Board, which two new members joined. As at 31 December, 2022, the Supervisory Board of Amica SA was composed of:

MR TOMASZ RYNARZEWSKI

Chair of the Supervisory Board

Chair of the Operating Committee

Member of the Committee Recruitment and Remuneration

PAWEŁ MAŁYSKA

Independent Member of the Supervisory Board

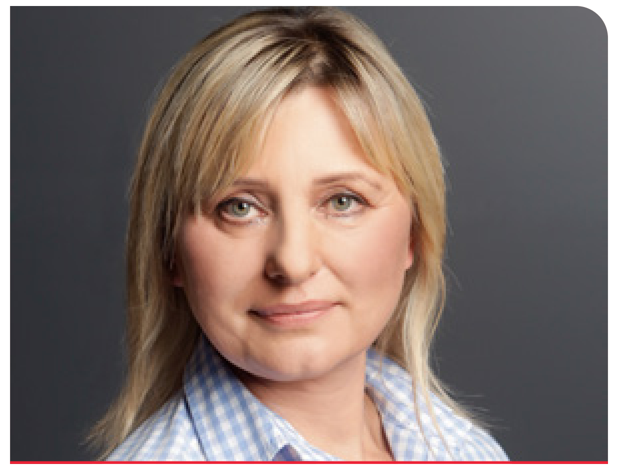
Vice-chair of the Supervisory Board

Member of the Audit Committee

KATARZYNA NAGÓRKO

Independent Member of the Supervisory Board

Chair of the Audit Committee



ALEKSANDRA PETRYGA

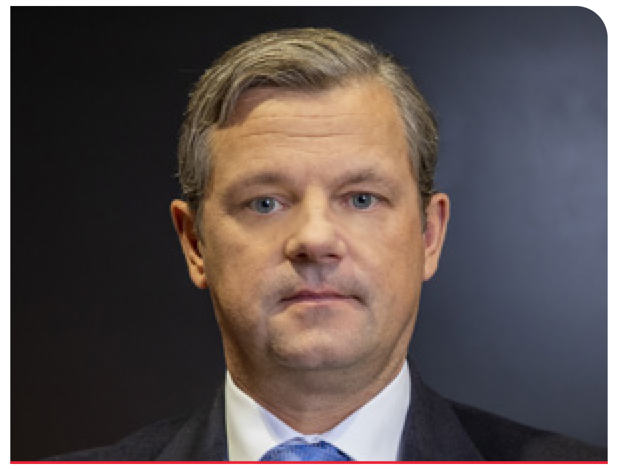
Member of the Supervisory Board

Member of the Compensation and Nomination Committee

PIOTR RUTKOWSKI

Member of the Supervisory Board

Member of the Operating Committee



PAWEŁ WYRZYKOWSKI

Member of the Supervisory Board

Member of the Audit Committee

Chair of the Committee Recruitment and Remuneration

The Standing Committees of the Supervisory Board include:

- Audit Committee
- Operating Committee
- Compensation and Nomination Committee.

4.6. Amica Group strategy, including Environmental, Social and Governance Strategy

4.6.1. Business strategy

In 2022, the Amica Capital Group continued the implementation of the 2014-2023 Strategy, whose basic ambition is to maintain the position of a key player on the market of household and kitchen appliances, combined with continuous improvement of profitability.

IT and digitisation strategy:

An important reporting issue:

IT and digitisation

[GRI 3-3, GRI 418, proprietary indicator – information on the goals and implementation stages of the Amica 4.0 project]

Automation of production processes and supply chain

In the reporting period, the Group implemented further steps of the Amica 4.0 digitisation project, for which the Member of the Management Board for Digitisation, Logistics and Goods Management is responsible. In 2022, it started the implementation of SAP4Hana for production automation and resource management. According to the schedule, the company intends to switch to this system by 2032.

The use of a new, digital solution will allow the Amica Group to:

- Increase production capacity,
- Improve the quality of internal processes,
- Increase production flexibility,
- Reduce the lead time between ordering and receiving the finished product,
- Improve the use of data in Group management.

Digitalisation of the HR area

In 2022, the Amica Group continued the process of implementing a new HR tool – SP Success Factors. Its purpose is to streamline the HR processes. This programme allows for efficient management of the human resources, bonus systems, leaves and employment history. In addition, special spreadsheets have been implemented to enable more effective management of employee information and development training.

4.6.2.
Amica Group ESG Strategy: Act for Climate!

[GRI 2-22, GRI 2-24]

In 2022, the Amica Group developed the "Act for Climate!" ESG strategy , which was announced on December 8. It defines the ambitions and the Group's sustainable development goals in three areas — Environmental, Social, and corporate Governance of all Group companies. It covers three time horizons: 2025, 2030 and 2050. The implementation of the strategy will be subject to cyclical assessment and reporting.

A resilient and sustainable European manufacturer of household appliances with a positive social impact

E: Carbon footprint reduction	S: Amica For People	G: Resilience and responsibility
Net zero in scope 1+2 by 2040* and low GHG emissions in scope 3 thanks to extended product lifecycles and circular economy.	We attract, engage and develop talents. We set standards in our value chain and support those who need it most.	Efficiency thanks to: • simplicity in management • holistic risk management • strong partnerships in the supply chain
E.1. A low-emission value chain **E.1.1.** Reduction of GHG emissions in scope 1 and 2 Market-based (absolute values): – 25% in 2030, – 100% in 2040 (2022 base) **E.1.2.** Reduction of GHG emissions in scope 3 Development of a decarbonisation plan in 2023 **E.1.3.** Climate change resilience Develop an adaptation plan for the Amica Capital Group in 2023	**S.1. We attract, engage and develop talents.** **S.1.1.** OHS – Safety culture and "zero accidents" **S.1.2.** Performance management and feedback culture **S.1.3.** Satisfaction support (2030: 75%) and employee participation (2030: 80%) **S.1.4.** Eliminate Gender Pay Gap (2030: 0%)	**G.1. Resilience through efficiency** **G.1.1.** Resilience through organisational clarity and agility **G.1.2.** Effective risk management and internal audit **G.1.3.** Amica Group Code of Ethics – update and training of 100% of employees **G.1.4.** Review and update of the Diversity Policy **G.1.5.** Develop the ESG function in the Supervisory Board, Management Board and managerial staff
E.2. Circular economy **E.2.1.** Develop and implement a circular economy action plan **E.2.2.** Responsible waste management	**S.2. Security for customers** **S.2.1.** Amica provides the highest safety standards **S.2.2.** Amica is a leader in the Professional Household Appliances Service	**G.2. Responsible partnership** **G.2.1** Develop and implement ESG criteria in day-to-day supply chain management **G.2.2.** ESG educational programme for suppliers and subcontractors **G.2.3.** Amica Capital Group Payment Policy
E.3. Products developed based on sustainable development **E.3.1** Longer life of Amica Group products Work on extending the life cycle of Amica Group products **E.3.2.** Sustainable packaging Over 50% recycled packaging by 2030	**S.3. Amica strengthens and helps** **S.3.1.** Support for people from local communities in difficult life circumstances **S.3.2.** Amica prevents food waste, promotes healthy cuisine, sports activity and equality in household duties **S3.3.** Develop psychological support: Education and prevention	

4.6.3.
Key non-financial performance indicators of the Amica Group

The data for 2022 presented below for the first time includes all Group companies, which may have resulted in an increase in some ratios, although we, in fact, managed to reduce them.

	2022	2021	Change [%]
Environment			
CO_2 emissions in scope 1 and 2 (location-based)	24,532 tCO_2e	25,897 tCO_2e	-5%
Carbon intensity ratio (scope 1+2 market-based) per 1 million zł of revenue	5.8	7.54	-31%
CO_2 emissions in scope 3	–	5,914,177 tCO_2e	–
Water consumption [m³]	86,591	86,956	-0.42%
Water consumption intensity index per 1 million zł of revenue	25.40	19.48	+30%
Total amount of sewage [m³]	61,603	58,459	+5.38%
Employee area			
Participation of women in the Supervisory Board	33%	0%	+33 p.p.
Participation of women in the Management Board	20%	16%	+4 p.p.
Participation of women in senior management	15.38%	28.13%	-12.75 pp
Participation of women in middle management	42.50%	42.29%	+0.21pp
Gender Pay Gap indicator	27%	11.5%	+15.5pp
Glass Ceiling Ratio for senior management	35.83%	16.78%	+19 p.p.
Glass Ceiling Ratio for middle management	8.71%	2.62%	+6 p.p.
Average number of training hours per employee	12.14	5.15	+127%
Involvement in local communities			
Amount allocated to social initiatives and programs	3,4 million zł	2,7 million zł	+26%

4.7. Amica on the capital market

TABLE 3.
The structure of shareholders holding, directly or indirectly, at least 5% of the total number of votes in Amica S.A. as at 31 December, 2021.

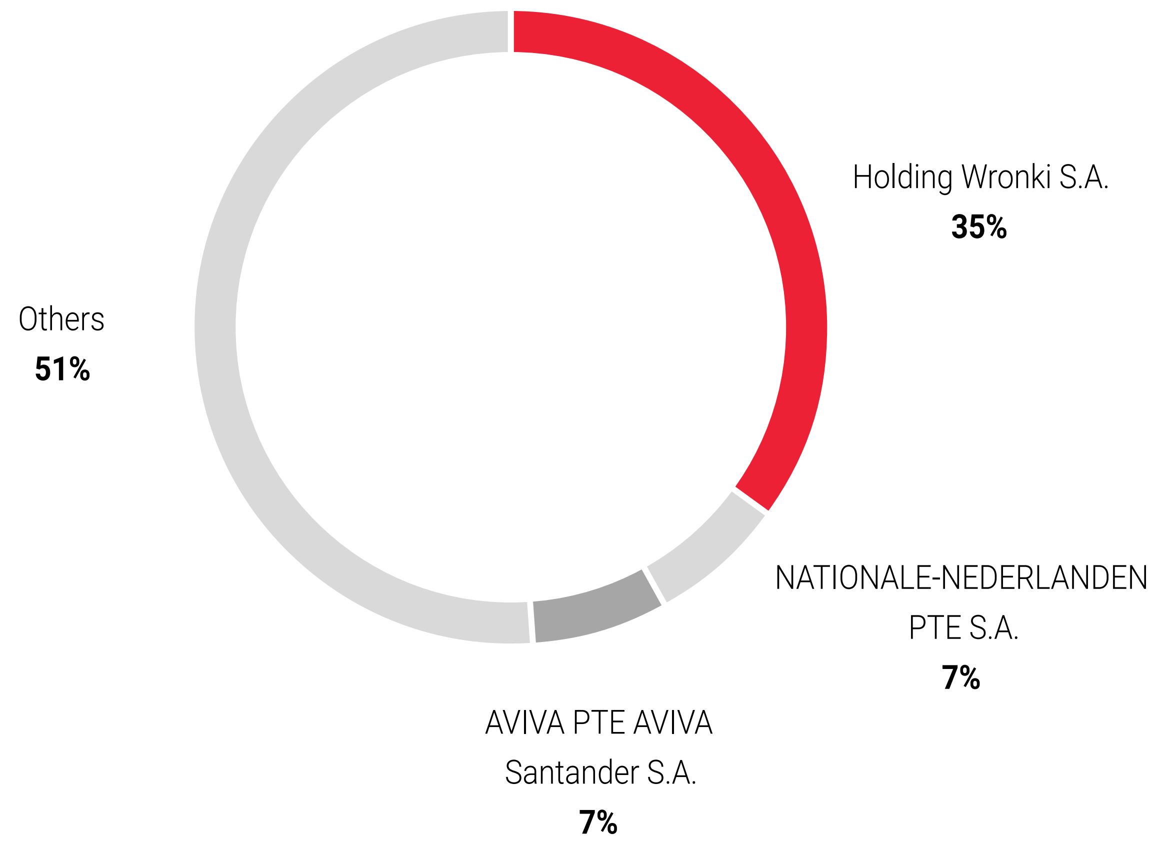
As at 31 December, 2022	Number of shares	% share in the shareholding	Number of votes	% share in the total number of votes
Holding Wronki Sp. z o.o. (d. Holding Wronki S.A.)	2,715,771	34.9%	5,431,542	51.8%
NATIONALE-NEDERLANDEN Open Pension Fund (d. ING OFE) [1]	555,952	7.2%	555,952	5.3%
Aviva PTE Aviva Santander S.A. [1] [2]	537,497	6.9%	537,497	5.1%
Other shareholders [3]	3,966,053	51.0%	3,967,360	37.8%
Total	7,775,273	100.0%	10,492,351	100.0%

[1] Data indicated based on the content of the notifications received by the Company from its Shareholders, and drawn up under Article 69 of the Public Offering Act of 29 July, 2005.

[2] On 5 January 2023, the Issuer received a notification that as a result of the merger pursuant to art. 67 of the Act of 28 August, 1997 on the Organisation and Operation of Pension Funds and Art. 492 § 1 point 1 of the CCC, on 30 December, 2022 with Aviva Powszechne Towarzystwo Emerytalne Aviva Santander Spółka Akcyjna managing the Second Allianz Polska Otwarty Fundusz Emerytalny (Drugi Allianz OFE), share in the share capital and in the total number of votes of AMICA S.A. on the accounts Allianz OFE, Allianz DFE and the second Allianz OFE increased above 6%. As at the merger date, the account of the Second Allianz OFE had 710,434 shares, representing 9.14% of the company's share capital, which gave the right to exercise 710,434 votes from shares representing 6.77% of the total number of votes at the company's AGM (see: current report 01/2023 of 10 January, 2023),

[3] Under the Own Share Buyback Program, the Company purchased 250,000 ordinary bearer shares of Amica S.A. marked with the code ISIN PLAMICA00010 (see: Current Report No. 35/2018 of 16 October, 2018); the pool of shares granted to eligible persons as part of the settlement of the Incentive Scheme for the financial year 2019 amounted to a total of 48,017 shares; the pool of shares granted to eligible persons as part of the settlement of the Incentive Scheme for the financial year 2020 amounted to a total of 54,846 shares; the pool of shares granted to eligible persons as part of the settlement of the Incentive Scheme for the financial year 2021 amounted to a total of 43,308 shares; the pool of shares granted to eligible persons as part of the settlement of the Incentive Scheme for the period 2019-2022 amounted to a total of 146,171 shares.

CHART 1:
The structure of shareholders holding, directly or indirectly, at least 5% of the total number of votes in Amica S.A. as at 31 December, 2022.

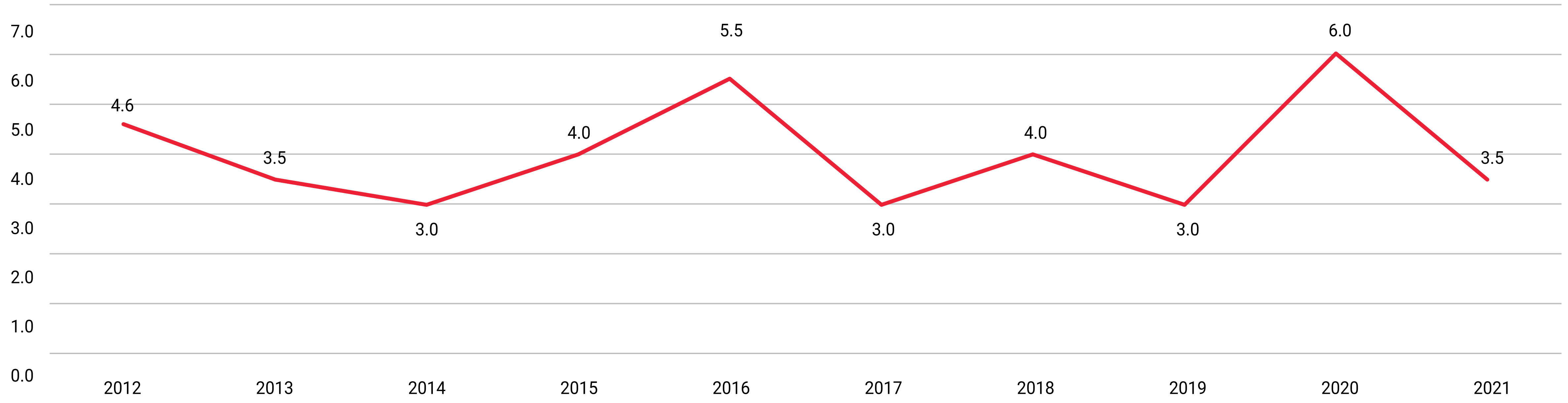


	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Amica S.A. net profit *	38.2	94.5	56.2	78.5	128.6	148.7	125.5	106.9	127.1	90.5	33.6
Net profit/(loss) of the Amica Capital Group	46.0	89.4	78.1	97.2	108.5	151.1	114.2	109.8	150.7	111.2	(9.7)
Dividend [4]	25.0	27.2	23.3	31.1	42.8	23.3	30.1	22.6	45.4	26.7	– [4]
Dividend per share [5]	**4.6**	**3.5**	**3.0**	**4.0**	**5.5**	**3.0**	**4.0**	**3.0**	**6.0**	**3.5**	– [4]

[4] Dividend paid for the year

[5] As at the date of publication of this report, the Management Board of the Company did not decide to distribute the result for 2022.

CHART 2:
Dividend paid per share [PLN]



As at the date of publication of this report, the Management Board of the Company did not decide to distribute the result for 2022. On 15 July, 2022, Amica S.A. paid a dividend for 2021 in the amount of 3.5 zł per share. The amount of the dividend per share in 2021 for 2020 is 6.0 zł.

The Company's intention is to pursue a stable dividend payment policy each year, with prior securing of funds for key investment projects, with a stable operating and financial situation and expected cash flows, and taking into account the prevailing economic situation.

The Amica Capital Group has been paying dividends continuously for 10 years. The average value is 30% of the net profit per dividend.

The Amica Capital Group shapes relations with investors on the basis of published current and periodic reports, as well as through the convening of the Ordinary General Meeting of Shareholders and regular meetings with investors that accompany quarterly results conferences.

5. RISK MANAGEMENT

[GRI 2-16, GRI 2-25]

5.1. Risk management system

A comprehensive and coherent risk management system is implemented in the Amica Group, which supports the development of corporate governance. The basic corporate document regulating this area of activity is the Risk Management Policy.

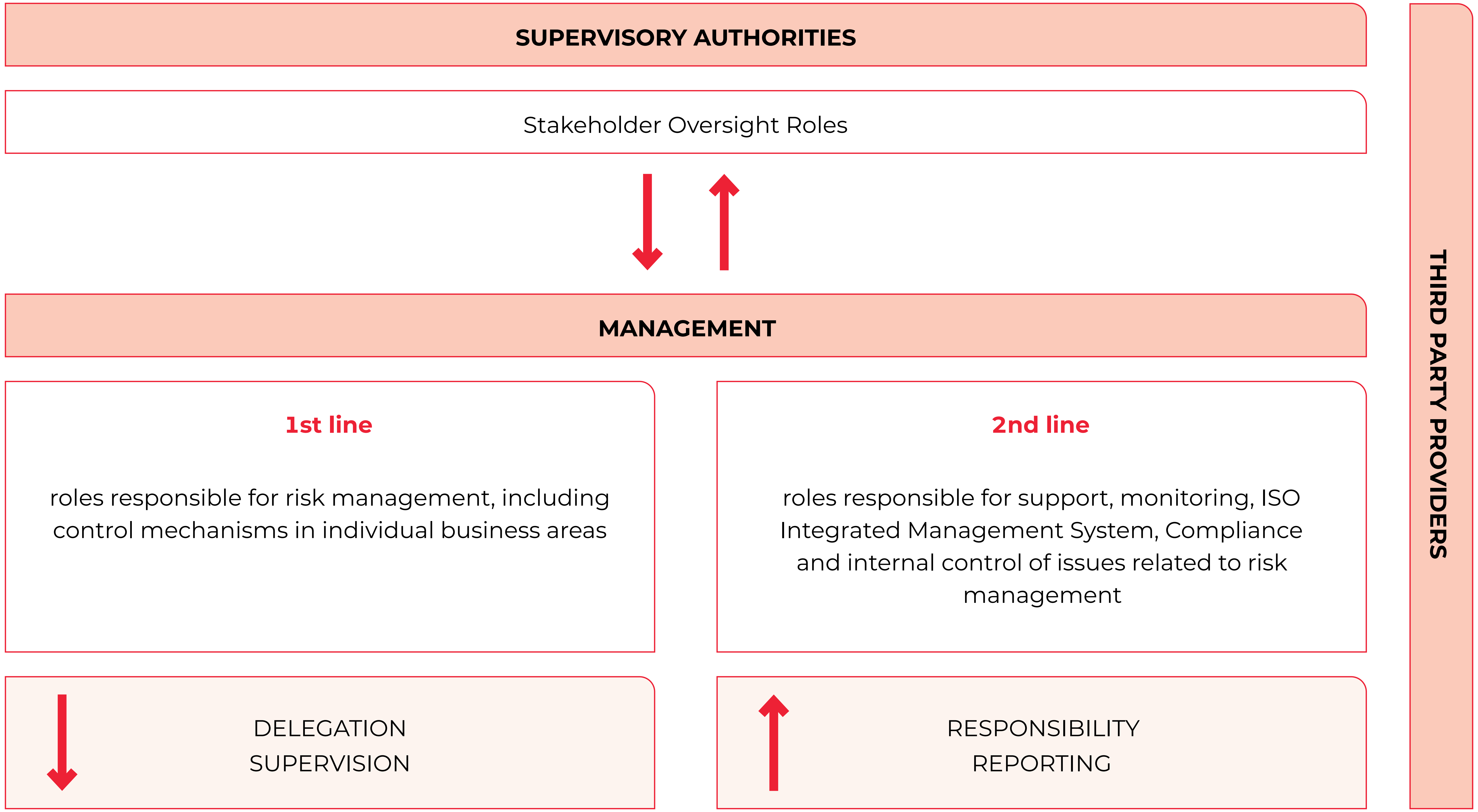
The Supervisory Board performs the role of the supervisor and the verifier of activities related to the most important identified risks. The Audit Committee monitors and evaluates the effectiveness of the risk management system.

At the Group level, the Management Board identifies risk factors, manages risk at a strategic level, defines global standards, tolerance for individual risks, indicates directions for the development of the risk management system, approves mechanisms, including approving the Risk Management Policy and involving persons responsible for individual areas in the process.

Companies – at the local level, adopt local procedures that adapt, on the one hand, to the Group's requirements and, on the other hand, to the local legal regulations of a given market and country.

Diagram of the organisational structure of the risk management system in the Amica Capital Group

Diagram of the organisational structure of the risk management system in the Amica Capital Group



5.2. Significant non-financial risks and how to manage them

During the materiality study conducted in the fourth quarter of 2021, a number of non-financial risks belonging to different areas of sustainable development were identified. These risks will be gradually incorporated into the risk management system at the Amica Capital Group.

TABLE 4:
Significant ESG risks identified in the Amica Capital Group

Environmental risks
• The risk of stricter emission standards • The risk of exceeding the standards in the area of circular economy • Risk related to access to water • Risk related to the access and prices of commodities and raw materials

Social and employee risks
• Risk of a lack of manpower • Risk related to the change in consumer preferences, including the selection of more environmentally friendly products that meet the requirements of the circular economy and the selection of sharing economy solutions • The risk of full digitisation of communication with employees and consumers

Management risks
• Risk related to the economic fallout of the COVID-19 pandemic (recession, unavailability of commodities and raw materials) • The risk related to the decisions of the regulator or changes to the regulations on household appliances in the entire value chain of the Company

5.3. Objectives and principles of financial risk management

Detailed information on the objectives and principles of financial risk management is provided in the Separate Financial Statements in Note 37 and in the Consolidated Financial Statements in Note 37.

5.3.1. Interest rate risk

Detailed information on the objectives and principles of interest rate risk management is provided in the Separate Financial Statements in Note 37.1 and in the Consolidated Financial Statements in Note 37.1.

5.3.2. Currency risk

Detailed information on the objectives and principles of currency risk management is provided in the Separate Financial Statements in Note 37.2 and in the Consolidated Financial Statements in Note 37.2.

5.3.3. Credit risk

Detailed information on the objectives and principles of credit risk management is provided in the Separate Financial Statements in Note 37.3 and in the Consolidated Financial Statements in Note 37.3.

5.3.4. Liquidity risk

Detailed information on the objectives and principles of liquidity risk management is provided in the Separate Financial Statements in Note 37.4 and in the Consolidated Financial Statements in Note 37.4.

6. MACROECONOMIC CONDITIONS

6.1. Economic environment

The year 2022 was undoubtedly a period full of challenges in Poland and for the entire global economy. Disturbance in supply chains, several-fold increases in raw material prices and declining consumption of durable goods across Europe have led to a decrease in the production of household appliances, including in Poland.

This phenomenon was evident throughout the year. It began with component availability issues in the first quarter of 2022 and continued with downturns in European markets from the second quarter. By the end of the year, local demand had decreased in terms of quantity. The expansion of Chinese brands in Europe was also continued.

The effects of Russia's aggression against Ukraine, including the energy crisis and double-digit inflation or the pandemic, are the factors that caused a decrease in the number of household appliances sold in 2022 for the first time in 10 years. The numbers are close to those from before the pandemic, i.e. 2019. Lower demand for durable goods is undoubtedly the biggest challenge for the entire market. The difficult situation throughout the year was illustrated by the historically lowest economic indicators. The leading indicator of consumer confidence decreased to –30 points. compared to +6 points in 2019.

Throughout 2022, there was a significant decrease in new apartment sales despite a record number of completed apartments (230,000). The result is also a record-breaking decrease by 1/3 of construction starts and a decrease in building permits (–15%).

In 2023, the war in Ukraine and the lack of geopolitical stability in the region will negatively affect the market. High inflation affects the change in consumer sentiment, and this is accompanied by the prospect of slowing down economic development. The spectre of the energy crisis has been partly averted thanks to the mild winter, but some of the risks mentioned will remain in the coming months.

Central banks' efforts to combat inflation by raising interest rates will reduce consumer purchasing power across all markets. On the other hand, the decrease in sea freight prices, decreases in prices on the energy and gas markets, as well as positive trends in components, are undoubtedly a positive signal.

6.2. Home appliances market

In 2022, the production of household appliances in Poland decreased quantitatively to the level from 2019. In total, 25.8 million units of large household appliances were produced. This means a decrease in the volume by as much as 3 million devices, i.e. –15% compared to 2021. Approx. 3.7 million small household appliances were produced (31% y/y). The value of sold production of large and small household appliances is a total of approx. 25.2 billion zł. This result is 4% lower than in the previous year. The estimated value of the entire industry producing the electric household appliances (including parts) in 2022 reached approx. 27 billion zł.

In terms of quantity and value, washing machines are still the largest group in production: 24% of the volume of large-size appliances and 26% of the value of the entire production of household appliances in our country. The dishwashers advanced to the second place in terms of production: 21% (volume) and 19% (value).

Despite the slowdown in production, data on record-breaking investments by the industry testify to the long-term plans of manufacturers. The household appliances industry in Poland invests over 1 billion zł each year in the development of modern production lines, digitization and automation of production processes, global and regional R&D centres as well as business, purchasing and IT centres. In 2022, the household appliances sector companies invested over 2 billion zł.

The household appliances industry has been a leader in implementing the idea of sustainable development on many levels for many years. These can be reduced to three elements known as ESG. Home appliances manufacturers actively participate in activities that improve the quality of life of local communities and their own employees. In 2022, the entire industry actively joined in helping Ukrainians fleeing the war, equipping many centres with the much needed appliances and supporting the relocation of entire families of their employees to Poland.

The most important contribution to sustainability, however, is the white goods themselves. About 80% of their environmental impact is generated during use, therefore by providing more efficient appliances and supporting the users with a professional repair service, the household appliances industry strengthens the implementation of sustainable consumption.

7. ACTIVITIES OF THE AMICA GROUP IN 2022

7.1. Significant Agreements

In 2022, the Management Board of Amica S.A. and Powszechna Kasa Oszczędności Bank Polski SA concluded an annex to the multi-purpose credit limit agreement of 15 October, 2015 (vide: Report No. 22/2015 of 16 October, 2015). Pursuant to the provisions of the said annex, the bank increased the amount of the multi-purpose credit limit granted to the Company under the agreement by 30 million zł, up to 115 million zł, to be used to finance current liabilities resulting from the Company's operations.

In 2022, the Management Board of Amica S.A. and Deutsche Bank concluded an annex to the agreement to increase the credit limit by 25 million zł. As at 31 December, 2022, the credit balance for this account is 0.0 million zł.

In 2022, as part of the loan agreements with Deutsche Bank, the Management Board of Amica S.A. concluded a new agreement for an overdraft facility in the amount of 37 million zł, the amount of debt incurred as at the balance sheet date is 0.0 million zł.

In 2022, the Management Board of Amica S.A. concluded new factoring agreements for the Danish, Russian and English companies, and also increased the limit of one of the agreements for the Polish company.

Detailed information on credits, loans and other debt instruments is presented in the Separate Financial Statements in Note 29 and in the Consolidated Financial Statements in Note 30.

In 2022 and 2021, no agreements were concluded with suppliers and customers that would have a significant impact on the Group's operations.

The Management Board of Amica S.A. declares that as at 31 December, 2022, the Amica S.A. Group and Amica S.A. do not have:

- significant agreements with suppliers and customers, which would have a significant impact on the activities of Amica S.A. and the Group.

Detailed information on transactions with related parties is presented in the Separate Financial Statements in Note 34 and in the Consolidated Financial Statements in Note 34.

7.2. Sales Markets

Key sales information for individual markets:

In 2022, sales results were affected by inflation, rising energy prices and higher prices of raw materials and production components. In order to compensate for the increases in these costs, the Group systematically increased prices on selected markets.

Despite this, a positive sales trend was maintained on the Polish market. The increase was around 4% y / y. The market share of the Amica brand was maintained at the level of 17.7%.

In the West region, sales were at last year's level, despite a noticeable decline in demand in the second half of the year. The Group recorded an increase in sales under the Fagor brand.

In the Eastern region, the Group recorded a decrease in sales caused by the war in Ukraine. Lower sales in Russia were partially offset by higher sales in Kazakhstan. In the last months of 2022, orders from the Ukrainian market recovered.

Good sales results were recorded in the Northern region with a dynamics of 12%.

In the structure of customers of the Amica Capital Group, there are no entities with turnover exceeding 10% of the total revenue in 2022.

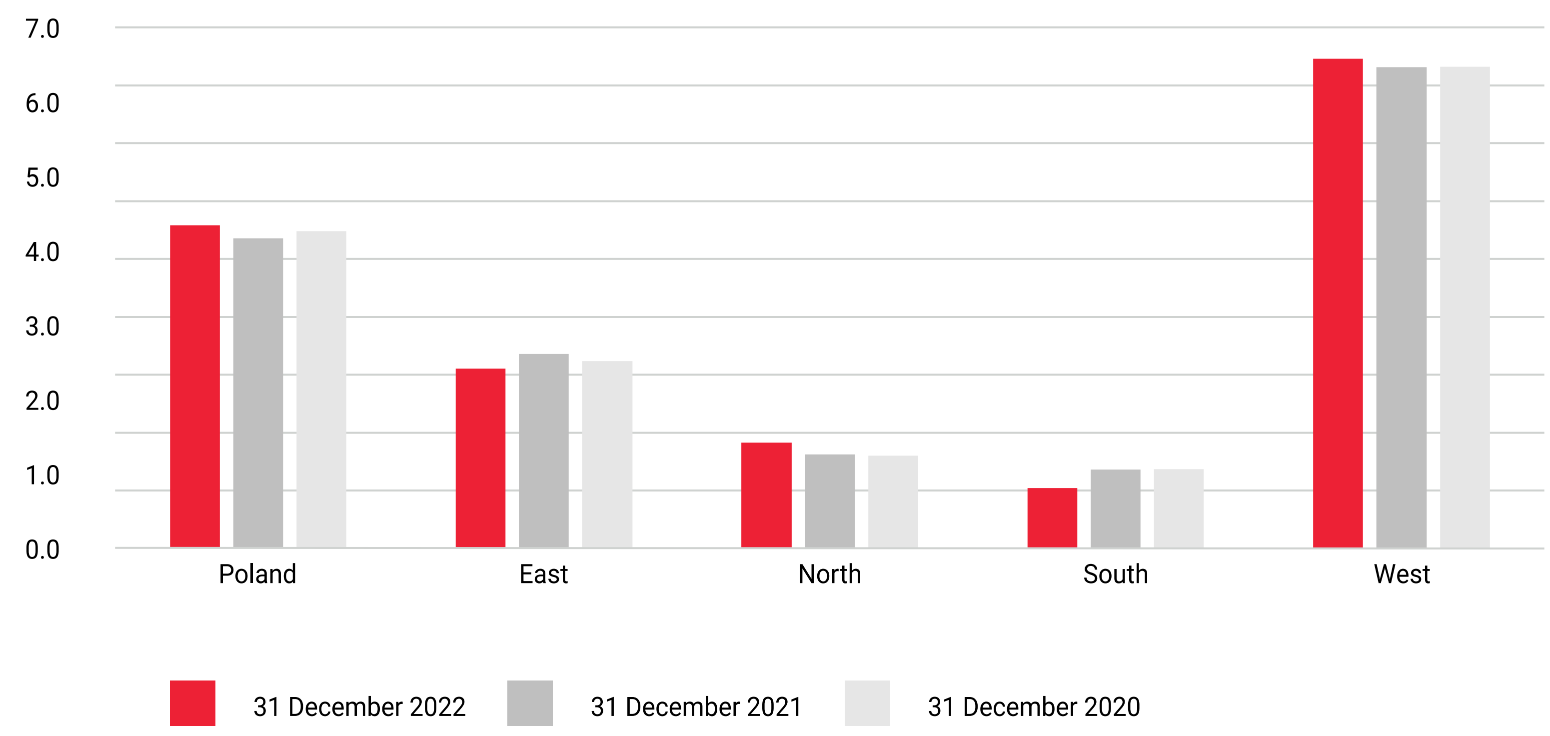
In 2022, in the structure of customers of the parent company, Amica S.A., there were two entities with turnover exceeding 10% of total revenues. Both entities are companies belonging to the Capital Group.

The companies within the Amica S.A. Capital Group across various business lines offer a wide range of products, which have many versions and are diversified. With this in mind, this report omits the presentation of quantitative sales, because such presentation is liable to be misleading the as to the real meaning of a particular segment for the Group's activities.

Detailed information on operating segments is presented in the Annual Consolidated Financial Statements in Note 11.

TABLE 5.
Value of sales on individual markets of the Amica Group

	31 December 2022	31 December 2021
Sale of products and goods:	3,275.1	3,293.8
Poland	913.5	882.5
East	507.4	552.8
North	297.8	266.0
South	171.7	222.6
West	1,384.7	1,369.9
Other sales, including:	140.7	140.1
spare parts	91.7	104.6
– services	49.0	35.5
Sale of products and goods:	**3,415.8**	**3,433.9**



7.3. Significant events after the end of the reporting period

Detailed information on significant events after the end of the reporting period is presented in the Separate Financial Statements in Note 42 and in the Consolidated Financial Statements in Note 42.

8. AMICA GROUP'S IMPACT ON THE CLIMATE AND THE ENVIRONMENT

[GRI 3-3] [TCFD]

An important reporting issue:

Climate change, including greenhouse gas emissions

8.1. Climate goals

The Amica Capital Group is committed to actively reducing the negative impact of industry on the climate and environment. This includes not only its production and commercial activities but also providing products that support customers in transitioning to a low-emission economy and meet their evolving preferences. The 1st Vice-President of the Management Board for Operations is responsible for the implementation of the climate change mitigation strategy, including decarbonisation.

The Amica Group aims to achieve climate neutrality in scope 1 and 2 of greenhouse gas emissions by 2040 and plans to reduce emissions in scope 3. The decarbonisation process was initiated in 2022, and is scheduled to complete by 2050.

In 2022, the Amica Group presented the ESG strategy, which included the following environmental goals in 3 areas:

Environmental goals

E:
Carbon footprint reduction

E.1. A low-emission value chain	E.2. Circular Economy Road Map	E.3. Products developed based on sustainable development
E.1.1. Reduction of GHG emissions in scope 1 and 2	**E.2.1.** Test circular business models	**E.3.1** Longer life of Amica Group products
Market-based (absolute values): – 25% in 2030, – 100% in 2040 (2022 base)	**E.2.2.** Communicate the benefits of simpler manuals and products	Work on extending the life cycle of Amica Group products
E.1.2. Reduction of GHG emissions in scope 3	**E.2.3.** Reduce the amount of plastics used	**E.3.2.** Sustainable packaging
Development of a decarbonisation plan in 2023	Full recycling of product packaging by 2030	Over 50% recycled packaging by 2030
E.1.3. Climate change resilience	**E.2.4.** In-house printing of ceramic glass	
Develop an adaptation plan for the Amica Capital Group in 2023	**E.2.5.** Reduce the variety of components	
	E.2.6. Digital Product Passport	
	E.2.7. Design focused on product durability	
	Product warranty extension	
	E.2.8. Monitor the product life after the warranty expires	
	Analyse the product life after the warranty expires	

8.2.
Risks related to climate change

[GRI 2-25, T TCFD]

In 2021, the Group identified and analysed climate risks and the resulting risks and opportunities. The study was conducted in cooperation with the external consulting company MATERIALITY in accordance with the AXIS methodology (Amplification, eXclusion, Intensification, Seizure) and included three stages:

- Analysis of significant climatic risks in the comparative group
- A questionnaire survey addressed to the Management Board, management and managerial staff of the Amica Capital Group
- Calculation of results and categorisation of identified risks, threats and opportunities

Threats and opportunities were examined in terms of three parameters:

- The probability of occurrence
- Significance, i.e. the impact of potential negative consequences (in the case of threats) or the scale of potential benefits (in the case of opportunities)
- The time horizon in which they can occur

The study covered 28 physical and transformational risks, covering a total of 32 risks and 25 opportunities related to climate change. The risks, threats and opportunities, whose probability or severity were higher than the specified values, were considered significant.

As a result of the analysis, the following were classified:

- 2 opportunities and 2 risks in category A (Amplification)
- 11 opportunities and 15 risks in category X (eXclusion)
- 6 opportunities and 9 risks in category I (Intensification)
- 6 opportunities and 6 risks in category S (Seizure)

In accordance with the methodology used, 6 opportunities and 6 risks were classified as the S (Seizure) category, i.e. considered significant and subject to active management. Risks and opportunities belonging to categories I (Intensification) and A (Amplification) are monitored and, in selected cases, managed. Most of the risks and opportunities belonging to category X (eXclusion) are exclusively monitored. Conclusions from the conducted study of climate risks will be incorporated into the risk management system operating at the Amica Group. Further monitoring and identification of risks related to climate change will be carried out periodically as part of the risk review.

Map of opportunities and threats related to climate change in the Amica Capital Group

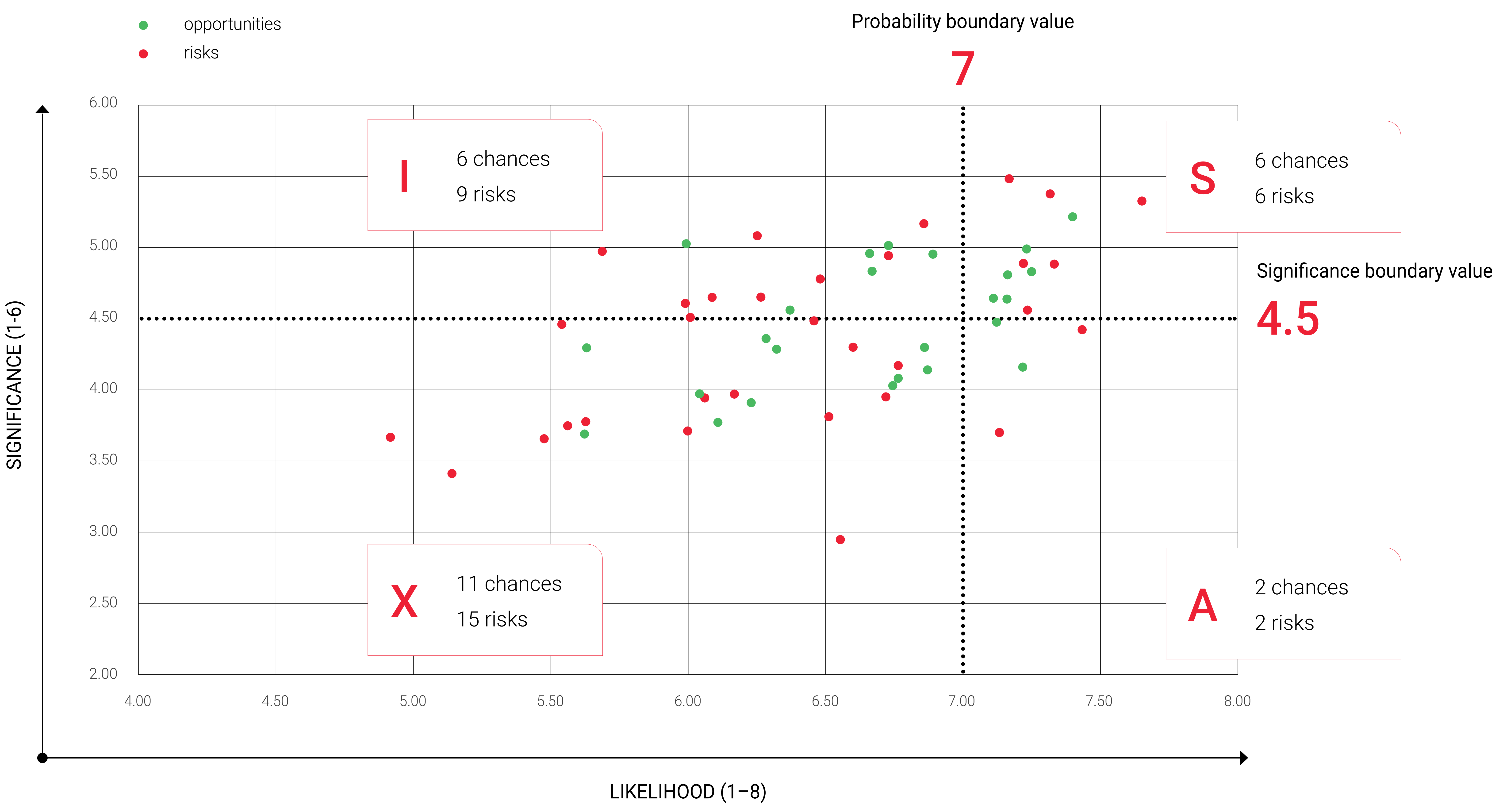


Table 6:

Significant risks, risks and opportunities related to the climate

Physical risks

Risk	Risk / Opportunity	Time horizon	Management method
Long-term risks			
The risk of an increase in the variability of the precipitation structure and weather patterns	An opportunity related to the growing demand for very high efficiency and low water consumption household appliances	Medium to long term	Development of a line of household appliances with high water efficiency. R&D related to increasing the efficiency of water use.
Risk of rising average temperatures	Opportunity to increase sales of cooling and humidifying appliances	Medium to long term	Considering the possibility of developing the Group's product portfolio of air conditioning units

Transformational risks

Risk	Risk / Opportunity	Time horizon	Management method
Policy and regulatory risks			
The risk of introducing taxes, duties or other carbon charges	Risk of increased cost due to the introduction of tax, duty or other carbon charges	Short to medium term	Implementation of the calculation of the carbon footprint of products throughout the life cycle. Optimisation of raw materials and components used in production to reduce the carbon footprint. Continuation of R&D and design aimed at increasing the energy efficiency of products.
	An opportunity to take advantage of the demand for high energy efficient household appliances	Short to medium term	
The risk of regulatory changes and stricter standards for products sold in the EU	There is a risk of tightening the regulations on, for example, the energy efficiency of household appliances or the specifications for microplastics.	Short to medium term	Analyse EU policies and draft legislation for advance adaptation to upcoming energy efficiency requirements and the implementation of the principles of the circular economy
	An opportunity to offer household appliances that will comply with EU requirements.	Short to medium term	

Transformational risks

Risk	Risk / Opportunity	Time horizon	Management method
Technological risks			
The risk of emissivity of energy sources	The risk of maintaining a high-emission electricity mix in Poland or other countries	Short to medium term	Continuous improvement of the energy efficiency of the Group's buildings and production lines. Provide the Group with access to electricity from low or zero emission sources. Profitability analysis of investments in own low or zero emission energy sources (solar farm).
	Opportunity to invest in our own low or zero emission energy sources	Short to medium term	
Market risk			
The risk of changing customer preferences	The risk of having to calculate the carbon footprint of all products and services along the entire life cycle	average	Implementation of the calculation of the carbon footprint of products throughout the life cycle. Continuation of R&D and design aimed at increasing the energy efficiency of products.
The risk of an increase in the prices of raw materials and services	Threat of rising costs of raw materials and services caused by other climatic risks	Short to medium term	Ongoing monitoring of trends in the markets of raw materials and components. The planned commencement of the project to implement the principles of the circular economy in order to reduce dependence on the supply of raw materials and components whose availability and prices may be affected by fluctuations due to climate risks.
Risk of making access to financing dependent on counteracting the climate crisis	The risk of lack of or limited access to financing in the event of failure to meet the expectations of banks or investment funds or insurers in terms of counteracting the climate crisis	average	Obligation to report on sustainable development issues (including climate change issues) in accordance with future EU standards as a consequence of the Corporate Sustainability Reporting Directive (CSRD). Active dialogue with investors, analysts and rating agencies regarding the Group's management of climate change impacts
	Opportunity for easier access or cheaper financing provided in connection with meeting the countermeasure criteria	average	

8.3. Greenhouse gas emissions

[GRI 305-1, GRI 305-2, GRI 305-3] [TCFD]

In 2022, for the second time the AMICA Capital Group calculated greenhouse gas emissions according to The Greenhouse Gas Protocol methodology: A Corporate Accounting and Reporting Standard Revised Edition and GHG Protocol Scope 2 Guidance in Scope 1 and 2, i.e. in the area of emissions directly affected by it, and for the first time publishes Scope 3 emissions for 2021.

Methodology and scope:

CO_2 emissions were calculated according to the standards and methodology of The Greenhouse Gas Protocol A Corporate Accounting and Reporting Standard Revised Edition and GHG Protocole Scope 2 Guidance, covering the activities of 14 companies of the Amica Capital Group for 2020, 2021 and 2022.

The carbon footprint of the Amica Capital Group in scope 1 and 2 for 2022 is 19,902.7 tCO_2e (market-based), which is nearly 2% more than in 2021. Location-based results were 5% lower. The manufacturing companies Amica S.A. and Marcelin Management Sp. z o. o. have the largest share in the carbon footprint in the Group's 1 and 2 emissions. The remaining 12 distribution and commercial companies generated between 3 and 6% of Amica Capital Group's emissions. The Group companies operating in Poland were responsible for over 90% of the carbon footprint of the entire Group.

In this report, the Group reports for the first time Scope 3 greenhouse gas emissions, which included the carbon footprint of purchased raw materials and finished products, WTT (Well To Tank, i.e. emissions from fuel and energy use not included in Scope 1 and 2), emissions related to purchased transport services, waste management, business trips and emissions generated during use of the sold products by end users.

The carbon footprint in scope 3 was 5,914,177 and CO_2e. Due to the specificity of the products sold by the Amica Group, product use by end customers has the greatest impact on the emissions. The products sold consume electricity or gas, thus significantly contributing to GHG emissions throughout their life cycle. The estimated value of the carbon footprint of household appliances use contributes 85% of indirect emissions reported in scope 3, and the carbon footprint of purchased raw materials and finished products contributes 13% of emissions in scope 3. These two categories have the greatest impact on the carbon footprint. The other categories (transport, business travel, waste management and WTT emissions) have a marginal (<1%) impact on the carbon footprint.

TABLE 7:
Greenhouse gas emissions in the Amica Group

	Entity	2020	2021	2022	Change 2022 vs 2021 [%]
Scope 1					
Emissions resulting from the use of fuels in buildings	Mg CO_2e			6 694.50	
Emissions from transport	Mg CO_2e			2 236.6	
Emissions from air conditioning and refrigeration	Mg CO_2e			99.7	
Total Scope 1 emissions	Mg CO_2e	9,833	10,361	9 030.8	−12%
Scope 1 emissions per 1 million zł of revenue	Mg CO_2e/1 million zł			2.6	
Scope emissions 1 for 1 product produced	kg CO_2e/pc.			1.5	
Scope 2					
Location-based					
Location-based emissions from electricity purchases	Mg CO_2e			15 490.3	
Location-based emissions resulting from the purchase of thermal energy	Mg CO_2e			11.1	
Total location-based emissions under Scope 2	Mg CO_2e	19,203	15,535	15 501.5	−0,21%
Market-based					
Total market-based emissions under Scope 2	Mg CO_2e	10,738	9,177	10 871.9	+18%
Scope 2 market-based emissions for 1 million zł of revenue	Mg CO_2e/1 million zł			3.2	
Scope 2 market-based emissions per product sold	kg CO_2e/pc.			1.8	
Scope 1+2					
Total Scope 1+2 location-based emissions	Mg CO_2e	29,036	25,897	24 532.2	−5%
Total Scope 1+2 market-based emissions	Mg CO_2e	20,571	19,538	19 902.7	+1.8%
Scope 1+2 market-based emissions for 1 million zł of revenue	Mg CO_2e/1 million zł			5.8	
Scope 1+2 market-based emissions per product produced	kg CO_2e/pc.			3.3	

	Entity	2020	2021	2022	Change 2022 vs 2021 [%]
Scope 3					
Upstream					
Cat. 1 Purchased products and services	Mg CO_2e	–	759,008	–	
Cat. WTT 3	Mg CO_2e	–	6,102	–	
Cat. 4 Freight	Mg CO_2e	–	10,902	–	
Cat. 5 Waste	Mg CO_2e	–	383	–	
Cat. 6 Business travel	Mg CO_2e	–	525	–	
Downstream					
Cat. 11 Use of products sold	Mg CO_2e	–	5,137,257	–	
Total emissions in Scope 3			5,914,177		
Total emissions in Scope 3 per 1 million zł of revenue	Mg CO_2e/1 million PLN	-	1,722.29	-	
Total emissions in Scope 3 per 1 product sold	kg CO_2e / pcs.		1,148.95		
Scope 1+2+3					
Total market-based emissions in Scope 1, 2 and 3	Mg CO_2e	–	5,933,715	–	
Total location-based emissions in Scope 1, 2 and 3	Mg CO_2e	–	5,940,073	–	
Scope 1+2+3 per 1 million zł of revenue (market-based)	Mg CO_2e/1 million zł	-	1,727.98	-	
Scope 1+2+3 per 1 product sold (market-based)	kg CO_2e/pc.	-	1,152.7	-	
Scope 1+2+3 per 1 million zł of revenue (location-based)	Mg CO_2e/1 million zł	-	1,729.83	-	
Scope 1+2+3 per 1 product sold (location-based)	kg CO_2e/pc.	-	1,153.98	-	

8.4. Fuels and energy

[GRI 302-1]

TABLE 8:
Fuel and energy consumption in the Amica Capital Group

	Entity	2022
Fuels used in buildings and installations		
Natural gas	m³	2,944,358.1
Diesel	l	233,973.5
Natural gas	MWh	29,950.7
Diesel	MWh	2,258.1
Total fuels used in buildings and installations	**MWh**	**32,208.8**
Fuels used in transport by own vehicles		
Petrol	l	130,326.8
Diesel	l	677,149.7
LPG	l	66,372.4
Petrol	MWh	1,198.8
Diesel	MWh	6,733.4
LPG	MWh	474.4
Total transportation	**MWh**	**8,406.6**

	Entity	2022
Energy generated		
Electricity generated in own RES	**MWh**	**42.7**
Purchased energy		
Electricity	MWh	22,201.2
– including the percentage of electricity from renewable energy sources	%	3.8%
Thermal energy	MWh	30.3
– including the percentage of heat from renewable energy sources	%	0.0%
Total purchased energy (electricity and heat)	MWh	22,231.5
– including the percentage of purchased energy (electricity and heat) from renewable energy sources	%	3.8%
Energy from renewable and non-renewable energy sources		
Energy from all renewable sources (derived from fuels and purchased energy)	MWh	880.7
Percentage of energy from renewable sources	%	1.4%
Energy from all non-renewable sources (derived from fuels and from purchased energy)	MWh	60,957.8
Percentage of energy from non-renewable sources	%	96.9%
Total energy from all sources	**MWh**	**62,889.5**

	Entity	2022
Energy intensity indicators		
Energy from renewable sources per 1 million zł of revenue	MWh/1 million zł	0.26
Energy from renewable sources per 1 product sold	kWh/item	0.20
Energy from non-renewable sources for 1 million zł of revenue	MWh/1 million zł	17.8
Energy from non-renewable sources per 1 product sold	kWh/item	13.7
Energy from all sources for 1 million zł of revenue	**MWh/1 million zł**	**18.4**
Energy from all sources per 1 product sold	**kWh/item**	**14.1**

8.5. Scenario analysis

[TCFD]

Due to the risks posed by climate change, the Amica Group conducted a scenario analysis in order to determine the resilience of the Group's business model and development strategy for various climate change scenarios. The analysis was carried out for two extremely different scenarios, one of which assumes the implementation of the provisions of the Paris Agreement, and the other an increase in emissions at a rate exceeding its conclusions. The scenarios cover short (2023-2025), medium (2026-2035) and long (2036-2050) time horizons. The adopted assumptions are a combination of predictions contained in the IPCC (Intergovernmental Panel on Climate Change) and IEA (International Energy Agency) reports.

Scenario 1.: **Paris-aligned** – provides that the conclusions of the Paris Agreement will be implemented, i.e. climate change will be stopped at a level that is safe for humanity. This scenario was created as a result of combining the IPCC SSP1-1.9 scenario and the IEA Net Zero Emissions by 2050 (NZE) scenario. The scenario predicts that the global temperature will rise by about 1.6°C.

Scenario 2.: **Paris-missed** – provides that the rate of reduction of greenhouse gas emissions will be inconsistent with the current declarations of UN member states, as a result of which climate change in the middle of the 21st century will reach the level predicted by science. This scenario is the result of a combination of the IPCC SSP5-8.5 scenario and the IEA The Stated Policies Scenario (STEPS) scenario. This scenario predicts that around 2060 the global temperature will rise by 2°C and will continue to rise.

Methodology

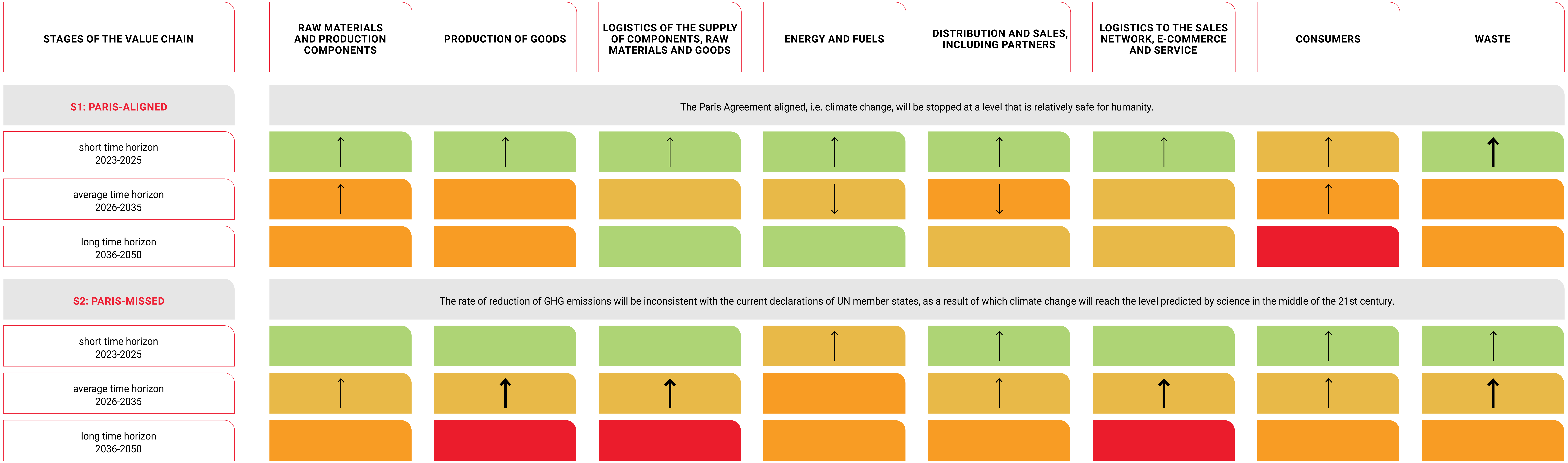
The qualitative scenario analysis was carried out in cooperation with the external consulting company MATERIALITY, in accordance with the SA:CCR Scenario Analysis method: Resilience to Climate Change.

8 groups of issues that corresponded to the elements of the Amica Group value chain were analysed:

- RAW MATERIALS AND COMPONENTS FOR PRODUCTION
- PRODUCTION OF GOODS
- LOGISTICS OF THE SUPPLY OF COMPONENTS, RAW MATERIALS AND GOODS
- ENERGY AND FUELS
- DISTRIBUTION AND SALES, INCLUDING PARTNERS
- LOGISTICS TO THE SALES NETWORK, E-COMMERCE AND SERVICE
- CONSUMERS
- WASTE

The analysis focused on geographical regions of the highest importance for the Amica Capital Group value chain, i.e. Northern Europe, Central and Eastern Europe, Mediterranean countries and South-East Asia.

Scenario analysis results



Legend:

Intensity of impact

- little effect on resilience
- medium impact on resilience
- high impact on resilience
- critical impact on resilience

Intensity of impact change

the arrow indicates the change in the intensity of the impact in a given time horizon, and its thickness indicates the intensity with which the impact changes (thicker arrow – greater intensity, stronger changes)

MAIN CONCLUSIONS FROM THE SCENARIO ANALYSIS:

Analysed scenarios		S1: Paris-aligned	S2: Paris-missed
Main conclusions for the Amica Group	2023-2025	High level of resistance in the short term	High level of resistance in the short term
	2026-2035	Relatively safe level of resilience in the medium term, provided that appropriate adaptation measures are taken and under conditions of growing regulatory and market pressure to change the range of products and goods offered	Relatively safe level of resilience in the medium term, with dynamically increasing challenges (mainly in logistics and production of commercial goods by suppliers)
	2036-2050	Average level of resistance in the long term (the biggest challenges in adapting products to customer needs, as well as obtaining raw materials and cooperation with producers of commercial goods)	Low level of resilience in the long term, with critical challenges in several areas such as logistics and production of commercial goods by suppliers

8.6. Circular economy

[GRI 3-3]

An important reporting issue:

Circular economy, including raw materials, components and waste.

The circular economy (CE) is a concept that promotes the rational use of resources and maintaining the value of manufactured products. The premise of the circular economy is the desire to ensure that all substances circulate constantly in the economy, without the need to obtain them from primary sources. Products should be made of recycled or sustainably produced raw materials. However, at the end of material life cycle, it should be suitable for reuse in the form of both components and recycled material.

In 2022, the management staff and the Management Board of the Group participated in 3 three-hour workshops on the circular economy, as a result of which a roadmap towards circularity was developed, which is part of the Amica Group climate change mitigation strategy.

8.6.1. Commodities, raw materials and components

[GRI 301-1]

Table 9:
Significant groups of purchased raw materials, materials and components

	Entity	2022
Sheet metal, metal components	Mg	32,893,790
Glass	Mg	8,645,312
Electric and electronic appliances	Mg	5,727,452
Packaging	Mg	5,072,050
Plastics, including protective coatings and insulation	Mg	3,104,211

8.6.2. Waste

[GRI 306-1]

98% of all Amica Capital Group waste is generated by 2 production companies in Poland – Amica S.A. and Marcelin Management Sp. z o. o. and the main hazardous waste generated as a result are spent lubricating and hydraulic oils used in machines, unusable substances and preparations for production or contaminated packaging.

[GRI 306-4]

Table 10:
Waste of the Amica Capital Group and methods of disposal

year 2022	Entity	processed on site	processed off-site	Total
Waste collected and sent for recovery				
Hazardous waste	**Mg**	**0.00**	**118.47**	**118.47**
Preparation for reuse	Mg	0.00	0.00	0.00
Recykling	Mg	0.00	91.28	91.28
Other forms of recovery	Mg	0.00	27.19	27.19
Non-hazardous waste	**Mg**	**0.00**	**8,511.01**	**8,511.01**
Preparation for reuse	Mg	0.00	4.79	4.79
Recycling	Mg	0.00	8,038.40	8,038.40
Other forms of recovery	Mg	0.00	467.81	467.81
Total waste collected and sent for recycling	Mg	0.00	8,629.47	8,629.47

year 2022	Entity	processed on site	processed off-site	Total
Waste collected and sent for disposal				
Hazardous waste	**Mg**	**0.00**	**27.88**	**27.88**
Combustion (with energy recovery)	Mg	0.00	27.88	27.88
Combustion (no energy recovery)	Mg	0.00	0.00	0.00
Storage in landfills	Mg	0.00	0.00	0.00
Other waste management methods	Mg	0.00	0.00	0.00
Non-hazardous waste	**Mg**	**0.00**	**29.63**	**29.63**
Combustion (with energy recovery)	Mg	0.00	0.21	0.21
Combustion (no energy recovery)	Mg	0.00	0.00	0.00
Storage in landfills	Mg	0.00	14.63	14.63
Other waste management methods	Mg	0.00	14.79	14.79
Total waste collected and sent for disposal	Mg	0.00	57.51	57.51
Total hazardous waste	**Mg**	**0.00**	**146.34**	**146.34**

year 2022	Entity	processed on site	processed off-site	Total
Total non-hazardous waste	**Mg**	**0.00**	**8,540.64**	**8,540.64**
Total waste	Mg	0.00	8,686.98	8,686.98

8.6.3.
Road map to circularity

In response to the changing trends and regulatory requirements related to the circular economy, in 2022 the Amica Group took steps to create a roadmap towards circularity. The road map and projects planned for implementation were developed by Amica specialists representing various areas during three workshops conducted by an external consulting company. The roadmap is based on Value Loss Points in the entire Amica Group value chain.

By 2030, the Amica Capital Group plans to achieve the following goals through the implementation of Circular Economy projects:

- Introduce circular economy solutions,
- Optimise the variety of products and components,
- Reduce the production of plastics,
- Increase production in own factory.

Amica Group circular economy roadmap

OBJECTIVE:

1. Implementation of circular economy solutions in the Amica Group

PROJECTS AND METRICS:

A. Test circular business models

B. Communicate the benefits of simpler manuals and products

CELE:

2. Optimise component diversity
3. Reduce the production of plastics
4. Increase production in our own factory

PROJECTS AND METRICS:

C. Reduce the amount of plastics used

- Full recycling of product packaging by 2030

D. In-house printing of ceramic glass

E. Reduce the variety of components

F. Digital Product Passport

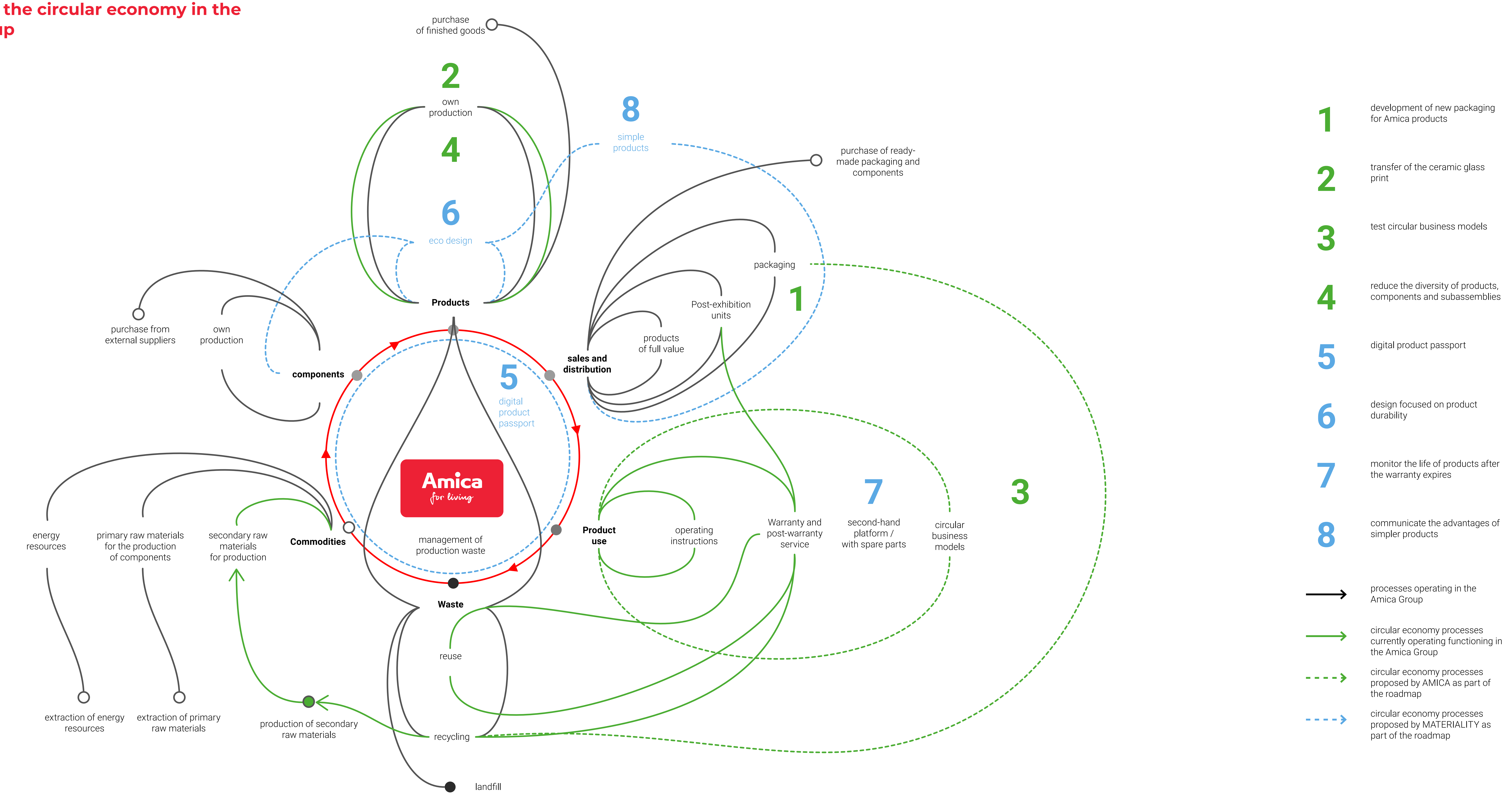
G. Design focused on product durability

- Product warranty extension

H. Monitor the product life after the warranty expires

- Analyse the product life after the warranty expires

Diagram of the circular economy in the Amica Group



8.7. Other climate-related issues

8.7.1. Water and sewage

[GRI 303-2, GRI 303-3]

In 2022, work began on the construction of a modern automatic sewage treatment plant and its launch is planned at the turn of 2023/2024. Until the sewage treatment plant is put into operation, wastewater is delivered to the municipal sewage treatment plant. Wastewater is tested in accordance with the integrated permit, i.e. once a quarter by an accredited laboratory.

Water consumption is monitored on an ongoing basis throughout the production process. Each production line has a water meter installed allowing the continuous analysis of water consumption. Rotameters are installed on most of the scrubbers to accurately dispense the predetermined amounts of water. Consequently, water consumption is minimal. The final rinsing is carried out with demineralised water. It is regenerated on an on-going basis, in order to save water in ion-exchange columns or reverse osmosis systems. Use of spray washing or mixing the bath with circulating pumps during immersion washing (bath line).

At the same time, all measures are aimed at the maximum reduction of the amount of generated wastewater. Technological baths are extended by continuous regeneration (centrifuges), which reduces the amount of sewage. On the other hand, reducing the amount of wastewater has a direct impact on the reduced amount of generated waste, such as post-neutralisation sludge or activated carbon.

[GRI 306-4]

TABLE 11:
Water and sewage in the Amica Group in 2022

	Entity	2021	2022	Change
Water				
Purchased water	m^3	79,797	80,295	+0.62%
Water from own wells	m^3	7,159	6,296	-12.05%
Total water consumption	**m^3**	**86,956**	**86,591**	**-0.42%**
Water consumption per 1 million z of revenue	m^3/mln zł	19.48	25.4	+30%
Sewage				
Wastewater discharged into the municipal network	m^3	26,381	54,347	106.01%
Wastewater discharged into water or soil	m^3	32,078	7,256	-77.38%
Total amount of wastewater	**m^3**	**58,459**	**61,603**	**5.38%**
Waste water discharged per 1 million zł of revenue	m^3/mln zł	13.28	18	+10%

8.7.2. Emissions of substances other than greenhouse gases into the atmosphere

[GRI 306-4]

TABLE 12:
Particulate matter emitted into the atmosphere in 2022 as part of the activities of the Amica Capital Group

	Entity	2022
SO_x	Mg	0.75
PM_{10}	Mg	0.28
$PM_{2.5}$	Mg	0.03
LNMZO	Mg	3.25
NO_x/NO_2	Mg	3.60

8.8. Compliance with EU Taxonomy

EU taxonomy of environmentally sustainable activities

The EU taxonomy shows what part (% share) of Amica Capital Group's activity by turnover, capital expenditures (CapEx) and operating expenses (OpEx) is environmentally sustainable. The taxonomy was introduced by Regulation 2020/852 [1] and applies to all companies reporting non-financial information, including the Amica Group.

According to the Regulation, an environmentally sustainable activity is one that:

- makes a significant contribution to the implementation of at least one environmental objective
- does not seriously impede any of the environmental goals
- it is conducted in accordance with Minimum Safeguards
- meets the Technical Screening Criteria

The regulation specifies six environmental objectives:

1. Climate change mitigation
2. Adaptation to climate change
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

The Technical Screening Criteria define in detail what it means to make a significant contribution to the achievement of particular objectives and not to cause serious damage. The criteria are set out in Annexes I and II to Commission Delegated Regulation (EU) 2021/2139 [2], extended by Commission Delegated Regulation (EU) 2022/1214 [3]. So far, the European Commission has only issued delegated acts specifying the criteria for a significant contribution to the first two environmental (climate change) objectives. In the future, the criteria will be extended and will also include the conditions that an activity should meet in order to make a significant contribution to the achievement of the other four environmental objectives.

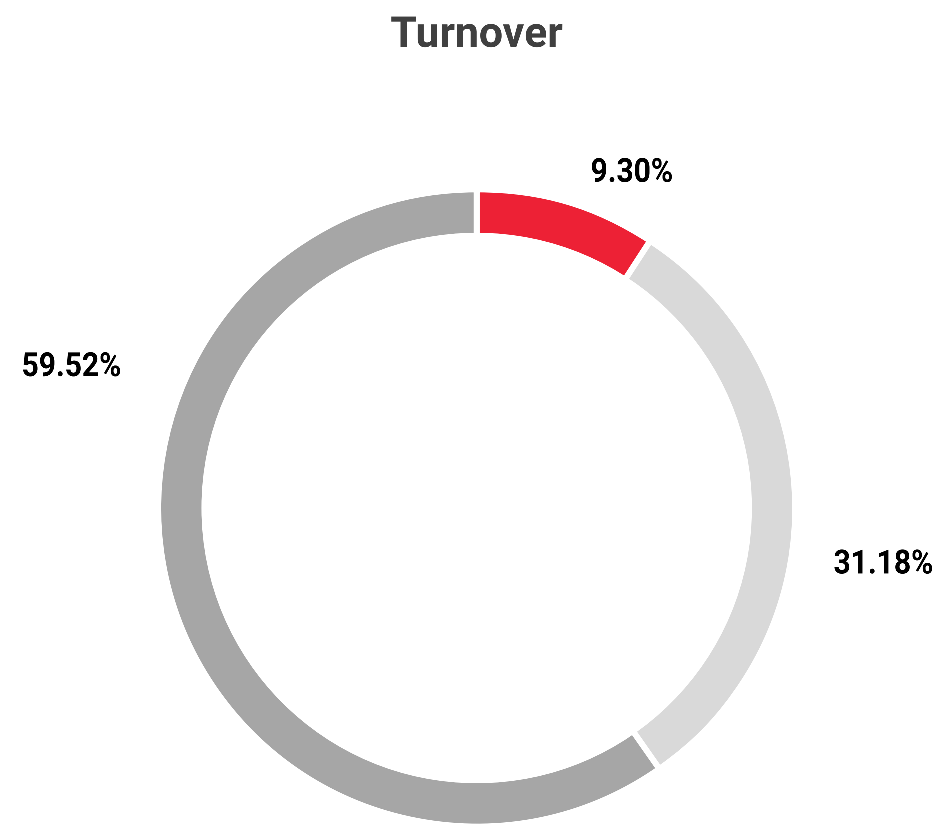
[1] Regulation (EU) 2020/852 of the Parliament and of the Council of 18 June 2020 on establishing a framework to facilitate sustainable investments

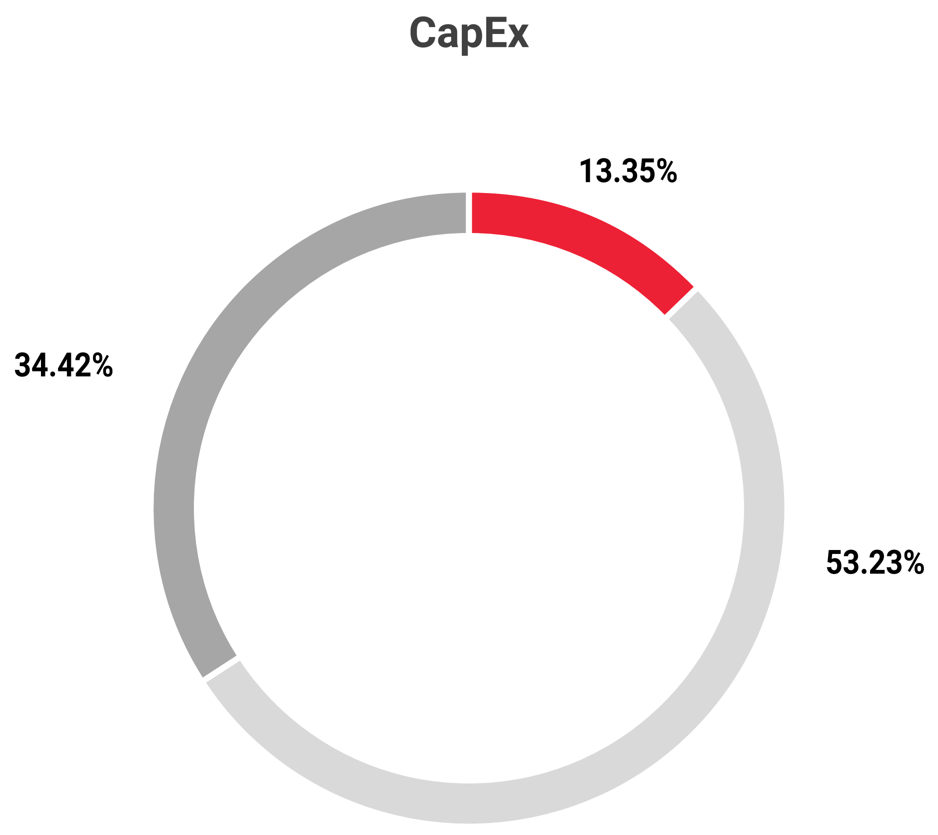
[2] Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing technical screening criteria to determine the conditions under which an economic activity qualifies as contributing significantly to mitigation climate change or climate change adaptation, and whether this economic activity causes significant damage to any of the other environmental objectives

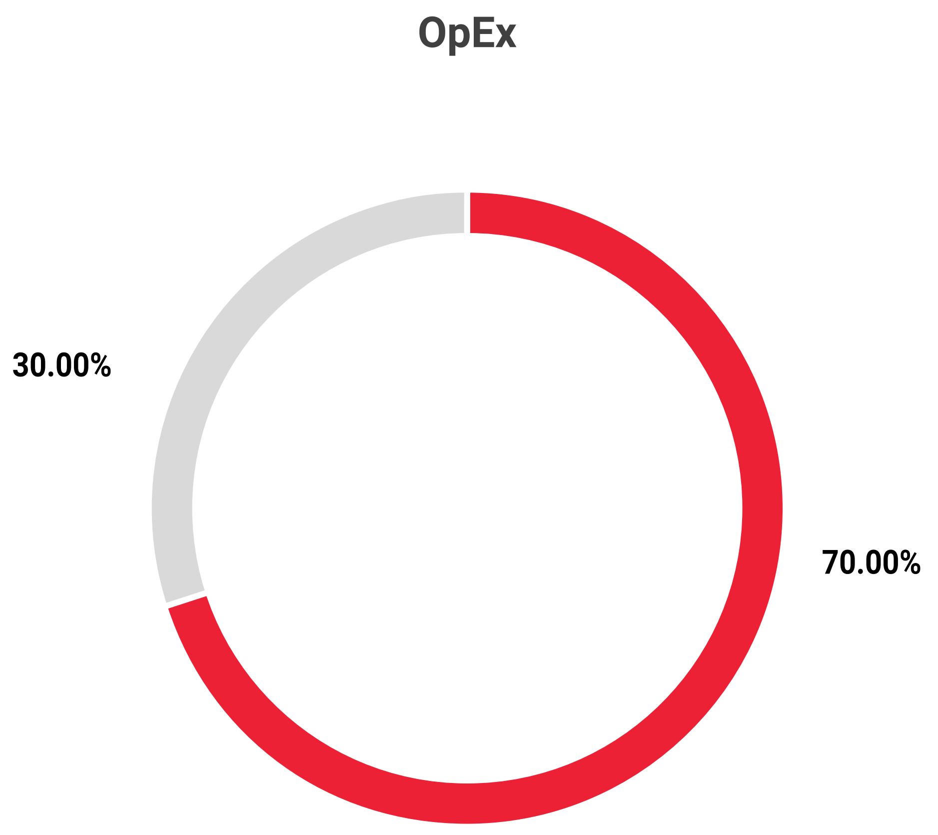
[3] Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022 amending Delegated Regulation (EU) 2021/2139 as regards business activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards public disclosure of specific information in relation to these types of economic activity

Compliance of the operations conducted by the Amica Capital Group with the taxonomy

As a result of the conducted analyses, the following percentages of turnover, capital expenditures (CapEx) and operating expenses (OpEx) were determined in accordance with the taxonomy.







The examination of compliance of the Group's operations with the taxonomy showed that:

- The sustainable operations of the Group in 2022 resulted in: 9.30% of turnover, 13.35% of capital expenditures and 70.00% of operating expenses.
- Operations that were eligible but not in line with the taxonomy (environmentally unsustainable) in 2022 included: 31.18% of the turnover, 55.23% of capital expenditures and 30.00% of the Group's operating expenses.
- In 2022, operations that did not qualify for the taxonomy included: 59.52% of the turnover, 34.00% of capital expenditures and 0.00% of the Group's operating expenses.

	Turnover	CapEx	OpEx
Amount in 2022 [million zł]	3,415.5	84.4	143.4
sustainable activity (in accordance with the taxonomy)	9.30%	13.35%	70.00%
unsustainable activity (eligible for the taxonomy but not in line with it)	31.18%	55.23%	30.00%
neutral activity (not eligible for taxonomy)	59.52%	34.42%	0.00%

The rest of the chapter describes the process of examining compliance with the taxonomy, the applied accounting principles and a detailed discussion of three performance indicators and tables prepared in accordance with the delegated act to art. 8, i.e. Commission Delegated Regulation (EU) 2021/2178.

Compliance with taxonomy

The process of examining compliance with the EU Taxonomy was carried out with the participation of the ESG and Communication Manager, the Certification and Ecology Manager and the Financial Controller of the Amica Capital Group and with the support of an external consulting company. The process was carried out in the following 4 stages:

Step 1: Identify:

Guided by the descriptions of activities in the annexes to Commission Delegated Regulation (EU) 2021/2139, the Amica Capital Group conducted a review of its activities – in terms of revenues, capital expenditures (CapEx) and operating expenses (OpEx) in 2022 and mapped those operations that are identified as qualifying for the taxonomy.

Step 2: Allocation:

Then, appropriate revenues, capital expenditures and operating expenses realised by the Amica Capital Group in 2022 were assigned to each activity identified as qualifying for the taxonomy. Details of the allocation methods used are described in the section "Accounting principles" in this chapter.

Step 3: Verify

Verification of compliance with the taxonomy was carried out through 2 types of study:

- Testing compliance with the Technical Screening Criteria

Compliance with the Technical Screening Criteria (TSC) set out in the annexes to Commission Delegated Regulation (EU) 2021/2139 was tested for selected, financially material (a financial materiality threshold of 100,000 zł) types of activity. For those operations that were below the materiality threshold, compliance was not tested and the related turnover, CapEx or OpEx were considered eligible but not in line with the taxonomy. In the case of operations above the materiality threshold, the individual criteria of materiality and immateriality were analysed and the extent to which the given type of activity is compliant with the Technical Screening Criteria. This analysis was carried out by the ESG and Communications Manager, the Certification and Ecology Manager and with the participation of an external consulting company.

- Testing compliance with Minimum Safeguards

Compliance with the requirements of the Minimum Safeguards was tested using the recommendations included in the Final Report on Minimum Safeguards by the Platform on Sustainable Finance. Minimum Safeguards are set out in Art. 18 of Regulation 2020/852 and they are largely based on conducting due diligence processes as defined in the UN Guidelines on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Although the report of the Platform on Sustainable Finance is not a legal provision, it is the only currently available source of interpretation regarding Minimum Safeguards, issued by a body operating at the European Commission and established on the basis of Regulation 2020/852.

The Platform on Sustainable Finance defined four conditions and concluded that the fulfilment of at least one of them means non-compliance with the requirements of Minimum Safeguards. The premises and the method of their testing are described in the table below.

Premise	Test
Inadequate or non-existent due diligence mechanisms for human rights, anti-corruption, countering unfair competition and tax strategy	Due diligence processes were verified by completing an extensive questionnaire – based on the methodology proposed by the Platform on Sustainable Finance (World Benchmark Alliance Core UNGP Indicators), by the Amica Capital Group (self-assessment) and by additional analysis of corporate documents and processes by an external consulting company. As a result of the analysis, it was found that the Amica Capital Group has appropriate due diligence processes in place.
The company can be ultimately held liable or found to be a labour or human rights violator in certain types of labour or human rights lawsuits Lack of cooperation with the OECD National Contact Point (OECD NCP)	The verification consisted in a review – in cooperation with individuals responsible for Compliance and Internal Audit – whether the Company had not been legally convicted in the area of human rights, corruption, fair competition and taxation. As a result of such verification, it was found that there was no information on such final judgments. The OECD NCP notification database was verified, which showed no notifications in relation to the Group in the period from 01.01.2022 to 31.12.2022
The Business and Human Rights Resource Center (BHRRC) made an allegation against the company and the company did not respond within 3 months	The Business and Human Rights Resources Center (BHRRC) database of notifications was verified, which showed no notifications against the Company in the period from 01.01.2022 to 31.12.2022

As a result of the analysis, it was established that the operations of the Amica Capital Group in 2022 were conducted in accordance with the Minimum Safeguards.

Step 4: Calculation

Based on the information from the previous 3 stages, tables were created for turnover, capital expenditures and operating expenses in accordance with the requirements of Commission Delegated Regulation (EU) 2021/2139.

Accounting principles applied

The following principles were used to calculate the percentage of turnover, capital expenditure (CapEx) and operational expenditure (OpEx) eligible for the taxonomy:

OBRÓT

With regard to turnover, the basis was the total consolidated revenue of the Amica Capital Group in 2022, disclosed in the consolidated financial statements for 2022 in the table "Consolidated statement of comprehensive income," as well as in chapter 9 "Finance of the Amica Capital Group in 2022" in table 20 of the Management Board's report on the activities of the Amica Capital Group in 2022. The numerator was assigned revenues from operations eligible for the taxonomy and at the same time compliant.

CAPITAL EXPENDITURE (CAPEX)

With regard to capital expenditures (CapEx), the basis was capital expenditure settled in individual companies of the Group and in Amica S.A. The total amount of capital expenditures is presented in the Consolidated Statement of Cash Flows, Consolidated Financial Statements for 2022, in the Management Board's Report on the activities of the Capital Group in 2022, in point 3 Selected financial and non-financial data. The numerator includes the part of capital expenditures that relates to the types of operations eligible for and compliant with the taxonomy.

OPERATING EXPENDITURE (OPEX)

With regard to operating expenditure (OpEx), the basis was the total cost used for the day-to-day servicing of the Group's assets and keeping them in proper condition. They include such costs as those related to the repairs and overhauls of devices and machines for the production of equipment increasing the energy efficiency of buildings, costs of maintaining research, development and innovation for equipment increasing the energy efficiency of buildings, maintenance costs of software being an asset of the Amica Capital Group , maintenance costs of assets used in the production of plastics and costs related to the renovation of existing buildings. The numerator includes the part of operating expenditure that relates to the types of operations eligible for and compliant with the taxonomy.

In the case of operating expenses, which are defined in Commission Delegated Regulation (EU) 2021/2178 in a way that does not refer to international financial reporting standards, all accounts in the Group's accounting system were reviewed, and then the identified items meeting the definition of OpEx were each assigned to given type of activity eligible for the taxonomy or set of other operating expenses (not eligible for the taxonomy).

Other information

The data used for the calculations was sourced from the financial and accounting system of Amica S.A. and from the financial and accounting systems of individual Group subsidiaries.

The Group avoided double counting when allocating turnover and capital expenditures by making appropriate consolidation exclusions in accordance with applicable accounting regulations. In the case of operating expenditure, which is defined in Commission Delegated Regulation (EU) 2021/2178 in a way that does not refer to international financial reporting standards, all accounts of the Group's accounting system were reviewed, and then the identified items satisfying the definition of OpEx were assigned to particular types of activities eligible for the taxonomy.

During the analysis, no types of operations contributing to more than one environmental objective were identified. Therefore, there was no need for special procedures to avoid double counting.

In this report, the Group discloses for the first time the share of operations compliant with the taxonomy and for the second time the share of activities qualifying for the taxonomy. The disclosure in this report concerns the last financial year, i.e. the period from 01.01.2022 to 31.12.2022.

The analysis showed that there is no need for detailed disaggregation of key performance indicators between individual operating units of the Group in accordance with point 1.2.2.3. Annex I to Commission Delegated Regulation (EU) 2021/2178. For more information, see the comments on each key performance indicator.

The Group does not conduct, finance or have exposure to the activities referred to in Sections 4.26 – 4.31 of Annexes I and II to Commission Delegated Regulation (EU) 2021/2139 (activities related to the generation of energy as part of nuclear processes and energy production from gaseous fossil fuels).

Table 13:
Percentage of turnover that matches the taxonomy

Economic activity				Substantial Contribution Criteria						Criteria for the "Does No Serious Damage" Principle										
	Code or codes	Turnover (absolute value)	Share of turnover	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum Safeguards	Percentage of turnover in accordance with the taxonomy, 2022	Percentage of turnover in accordance with the taxonomy, 2021	Category (supporting activity or)	Category (transition activity)
		million zł	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	Y
A. ACTIVITIES ELIGIBLE FOR TAXONOMY																				
A.1. Types of environmentally sustainable operations (in accordance with the taxonomy)																				
Production of appliances increasing the energy efficiency of buildings	3.5.	317.22058	9.29%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%		Y	Y	Y	Y	Y	Y	100.00%	n/a	E	
Activities related to software, IT consultancy and related activities	8.2.	0.5	0.02%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	Y		Y	Y	Y	Y	Y	100.00%	n/a		
Turnover from environmentally sustainable operations (taxonomy compliant) (A.1)		**317.7**	**9.30%**	**9.29%**	**0.02%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**9.30%**	**n/a**		
A.2. Operations eligible for the taxonomy but not environmentally sustainable (non-taxonomy operations)																				
Production of appliances increasing the energy efficiency of buildings	3.5.	1,030.4	30.17%	9.29%	0.00%	0.00%	0.00%	0.00%	0.00%	N	N	N	N	N	N	Y				
Production of plastics in primary forms	3.17.	7.6	0.22%	0.00%	0.22%	0.00%	0.00%	0.00%	0.00%	N		Y	Y	Y	Y	Y				
Acquisition and ownership of buildings	7.7.	26.9	0.79%	0.00%	0.79%	0.00%	0.00%	0.00%	0.00%	N		Y	Y	Y	Y	Y				
Turnover from operations qualifying for the taxonomy but not environmentally sustainable (non-taxonomy) (A.2)		**1,065.0**	**31.18%**														**31.18%**	**n/a**		
Total (A.1.+A.2.)		**1,382.7**	**40.48%**														**40.48%**	**n/a**		
B. ACTIVITIES NOT QUALIFYING FOR TAXONOMY																				
Turnover from activities that do not qualify for taxonomy (B)		**2,033.1**	**59.52%**																	
Total (A + B)		**3,415.8**																		

The Amica Capital Group generates revenues from several business segments, only part of which is covered by the taxonomy of Annexes I and II to the Climate Delegated Act (Commission Delegated Regulation (EU) 2021/2139). The Group's consolidated revenues amounted to 3,415.8 million zł in 2022. The main items of revenue from operations eligible for taxonomy in 2022 were:

- Revenue from the production of household appliances, which qualifies for the taxonomy as business-related turnover 3.5. Production of appliances increasing the energy efficiency of buildings in the amount of 1,030.4 million zł
- Revenue from rental of real property that qualifies for the taxonomy as business-related turnover 7.7. Acquisition and ownership of buildings in the amount of 26.9 million zł
- Revenue from the production of polystyrene, which qualifies for the taxonomy as business-related turnover 3.17. Production of plastics in basic forms in the amount of 7.6 million zł
- Revenues from software development that qualify for the taxonomy as business-related turnover 8.2. Activities related to software and consulting in the field of IT in the amount of 0.51 million zł.

Of the above types of activities, the meeting of the Technical Screening Criteria set out in Annex I to Commission Delegated Regulation (EU) 2021/2139 was confirmed. For business related to the production of kitchen heating household appliances and for business related to the production of software, the meeting of the Technical Screening Criteria set out in Annex II to Commission Delegated Regulation (EU) 2021/2139 was confirmed, and therefore the turnover related to this activity was considered compliant with the taxonomy.

In 2022, the Group also generated 2,033.1 million zł in revenue from operations that do not qualify for taxonomy. These revenues came mainly from the sale of commercial goods.

The share of turnover from environmentally sustainable operations (in accordance with the taxonomy) in the total turnover in 2022 amounted to 9.30%, and the share of turnover from operations eligible for the taxonomy, but not in accordance with it, was 31.18%. The total share of turnover from operation qualifying for taxonomy amounted to 40.48%. The remaining 59.52% of turnover comes from operations that do not qualify for the taxonomy, i.e. operations for which the regulator has not set the Technical Screening Criteria in the annexes to the delegated act.

TABLE 14:
Percentage of capital expenditure (CapEx) compliant with the taxonomy

Economic activity				Substantial Contribution Criteria						Criteria for the "Does No Serious Damage" Principle										
	Code or codes	Investment expenditure in absolute terms	Percentage share of capital expenditure	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum Safeguards	Percentage share of capital expenditure compliant with the taxonomy, 2022	Percentage share of capital expenditure compliant with the taxonomy, 2021	Category (supporting activity or)	Category (transition activity)
		million zł	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	Y
A. ACTIVITIES ELIGIBLE FOR TAXONOMY																				
A.1. Types of environmentally sustainable operations (in accordance with the taxonomy)																				
Production of appliances increasing the energy efficiency of buildings	3.5.	5.1	6.11%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%		Y	Y	Y	Y	Y	Y	100.00%	n/a	E	
Activities related to software, IT consultancy and related activities	8.2.	6.1	7.24%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	Y		Y	Y	Y	Y	Y	100.00%	n/a		
Capital expenditure for environmentally sustainable operations (in accordance with the taxonomy) (A.1)		**11.3**	**13.35%**	**5.89%**	**6.96%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**12.85%**	**n/a**		
A.2. Operations eligible for the taxonomy but not environmentally sustainable (non-taxonomy operations)																				
Production of appliances increasing the energy efficiency of buildings	3.5.	16.8	19.90%	361.77%	0.00%	0.00%	0.00%	0.00%	0.00%	N	N	N	N	N	N	Y				
Production of plastics in primary forms	3.17.	0.2	0.3%	0.00%	8.69%	0.00%	0.00%	0.00%	0.00%	N		Y	Y	Y	Y	Y				
Construction of new buildings	7.1.	29.6	35.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N		N	N	N	Y	Y				
Capital expenditure for operation qualifying for the taxonomy but not environmentally sustainable (non-conforming to the taxonomy) (A.2)		**46.6**	**55.23%**														**53.16%**	**n/a**		
Total (A.1.+A.2.)		**57.9**	**68.58%**														**66.01%**	**n/a**		
B. ACTIVITIES NOT QUALIFYING FOR TAXONOMY																				
Capital expenditure for operation not eligible for taxonomy (B)		**26.5**	**31.42%**																	
Total (A + B)		**84.4**																		

Capital expenditures (CapEx) eligible for the taxonomy are related to the implementation of investment plans adopted by the Group's Management Board during the approval of the Annual Financial Budget for 2022. The Group's capital expenditure in 2022 amounted to 84.4 million zł. Capital expenditure was incurred primarily for:

- 29.6 million zł of CapEx was allocated for the construction of two new production and warehouse halls, a new chemicals warehouse, extension and adaptation of space in the Group's existing buildings and facilities. This expenditure qualifies for taxonomy under activity 7.1. Construction of new buildings
- Capital expenditures in the amount of 21.9 million zł were allocated to machines and production lines for household heating appliances. This expenditure qualifies for taxonomy under activity 3.5. Production of appliances increasing the energy efficiency of buildings
- Over 6.1 million zł was allocated as part of capital expenditures for projects related to software and IT infrastructure of the Amica Capital Group. This expenditure qualifies for taxonomy under activity 8.2. Activities related to software, IT consultancy and related activities

In 2022, the Group also incurred 26.5 million zł in capital expenditure for operations that do not qualify for the taxonomy.

The share of capital expenditure related to types of environmentally sustainable operations (in line with the taxonomy) in total capital expenditures in 2022 amounted to 13.35%, and the share of capital expenditure related to types of operations eligible for the taxonomy, but not in line with it, was 55.23%. In total, the share of investment expenditure related to the types of operations qualifying for the taxonomy amounted to 68.58%. The remaining 31.42% of investment expenditure was for operations not eligible for the taxonomy, i.e. those for which the regulator did not define the Technical Screening Criteria in the annexes to the delegated act.

Table 15:
Percentage of operating expenses (OpEx) compliant with the taxonomy

Economic activity				Substantial Contribution Criteria						Criteria for the "Does No Serious Damage" Principle										
	Code or codes	Operating expenses in absolute terms	Percentage of operating expenses	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum Safeguards	Percentage of operating expenses compliant with the taxonomy, 2022	Percentage of operating expenses compliant with the taxonomy, 2021	Category (supporting activity or)	Category (transition activity)
		million zł	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	Y
A. ACTIVITIES ELIGIBLE FOR TAXONOMY																				
A.1. Types of environmentally sustainable operations (in accordance with the taxonomy)																				
Production of appliances increasing the energy efficiency of buildings	3.5.	11.42714	7.97%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%		Y	Y	Y	Y	Y	Y	100.00%	n/a	E	
Activities related to software, IT consultancy and related activities	8.2.	68.6	47.83%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	Y		Y	Y	Y	Y	Y	100.00%	n/a		
Aid for market research, development and innovation	9.1.	20.3	14.16%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	Y		Y	Y	Y	Y	Y	100.00%	n/a	E	
Operating expenses for environmentally sustainable operations (in line with the taxonomy) (A.1)		**100.3**	**69.96%**	**7.97%**	**62.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**69.96%**	**n/a**		
A.2. Operations eligible for the taxonomy but not environmentally sustainable (non-taxonomy operations)																				
Production of appliances increasing the energy efficiency of buildings	3.5.	37.2	25.94%	7.97%	0.00%	0.00%	0.00%	0.00%	0.00%	N	N	N	N	N	N	Y				
Production of plastics in primary forms	3.17.	0.5	0.34%	0.00%	0.34%	0.00%	0.00%	0.00%	0.00%	N		Y	Y	Y	Y	Y				
Upgrades to existing buildings	7.2.	4.2	2.93%	0.00%	2.93%	0.00%	0.00%	0.00%	0.00%	Y		N	N	N	Y	Y				
Acquisition and ownership of buildings	7.7.	1.2	0.83%	0.00%	0.83%	0.00%	0.00%	0.00%	0.00%	N		Y	Y	Y	Y	Y				
Operating expenses for operations eligible for the taxonomy but not environmentally sustainable (non-taxonomy) (A.2)		**43.1**	**30.04%**	**7.97%**	**66.09%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**30.04%**	**n/a**		
Total (A.1.+A.2.)		**143.4**	**100.00%**														**100.00%**	**n/a**		
B. ACTIVITIES NOT QUALIFYING FOR TAXONOMY																				
Operating expenses for operations not eligible for the taxonomy (B)		**0.0**	**0.00%**																	
Total (A + B)		**143.4**																		

Operating expenses (OpEx) eligible for the taxonomy are related to the maintenance of the Group's assets used to carry out operations eligible for the taxonomy. The Group's operating expenses in 2022 amounted to 143.4 million zł. Operating expenses were incurred primarily for:

- The largest amount (68.5 million zł) was related to operating expenses for updating the software necessary to run the Group's operations. These expenses are eligible for taxonomy under activity 8.2. Activities related to software, IT consultancy and related activities
- Over 48.6 million zł was spent on the maintenance of the plant producing household appliances. These expenses are eligible for taxonomy under activity 3.5. Production of appliances increasing the energy efficiency of buildings
- 20.3 million zł constitute operating expenses related to research and development, the purpose of which is to improve the energy efficiency of manufactured household appliances. These expenses are eligible for taxonomy under activity 9.1. Aid for market research, development and innovation
- 4.1 million zł was allocated for the renovation of existing buildings. These expenses are eligible for taxonomy under activity 7.2. Upgrades to existing buildings

In 2022, the Group did not incur operating expenses for operation that do not qualify for taxonomy.

The share of operating expenses related to types of environmentally sustainable operations (in line with the taxonomy) in total operating expenses in 2022 was 69.96%, and the share of operating expenses related to types of operations eligible for the taxonomy, but not in line with it, was 30.04%. In total, the share of operating expenses related to the types of operations eligible for the taxonomy amounted to 100.00%.

9. IMPACT ON PEOPLE AND SOCIETY

[GRI 3-3]

An important reporting issue:

Workplace, employee development and education, and diversity management

The ambition of the Amica Capital Group is to contribute to a positive impact in the social space – both as an employer, household appliance manufacturer and in relation to local communities.

The following documents regulate the area of resource management:

- Code of Ethics
- ESG Climate for Action strategy
- Remote Work Policy
- Diversity Management Policy

The HR Director who reports to the Member of the Management Board for Finance and Human Resources is responsible for issues related to the employer's brand (Development of talents and feedback culture, Support for employee satisfaction and participation, Elimination of the Gender Pay Gap) and social activities. In turn, the safety culture and the "zero accidents" approach and ensuring the safety of products for customers are the responsibility of the OHS department, which reports to the 1st Vice-President of the Management Board for Operations and the Director of Service, who reports to the Vice-President of the Management Board responsible for Trade and Marketing, respectively.

In 2022, the Amica Group presented the ESG strategy, which included the following social goals in 3 areas:

S:
Amica For People

S.1. We attract, engage and develop talents.

S.1.1. OHS – Safety culture and "zero accidents"

S.1.2. Performance management and feedback culture

S.1.3. Satisfaction support (2030: 75%) and employee participation (2030: 80%)

S.1.4. Eliminate Gender Pay Gap (2030: 0%)

S.2. Security for customers

S.2.1. Amica provides the highest safety standards

S.2.2. Amica is a leader in the Professional Household Appliances Service

S.3. Amica strengthens and helps

S.3.1. Support for people from local communities in difficult life circumstances

S.3.2. Amica prevents food waste, promotes healthy cuisine, sports activity and equality in household duties

S3.3. Develop psychological support: Education and prevention

9.1 Employment structure, including diversity and equal opportunities

[GRI 2-7, GRI 405-1, GRI 405-2, Glass Ceiling Ratio]

In 2022, structural and personnel changes took place in the Amica Group at several levels of the organisation. These chnages had an impact on the share of women at individual levels of the structure and translated into the result for all employees. The Gender Pay Gap (GPG) ratio for all employees was negatively impacted by higher than usual employee turnover and adjustments to the organisational structure to meet the Group's business needs, however, the GPG ratio for senior management improved significantly. The Amica Group invariably strives to eliminate GPG, in accordance with the ESG Strategy, by 2030.

TABLE 16:
Key data and HR indicators of the Amica Capital Group in 2022:

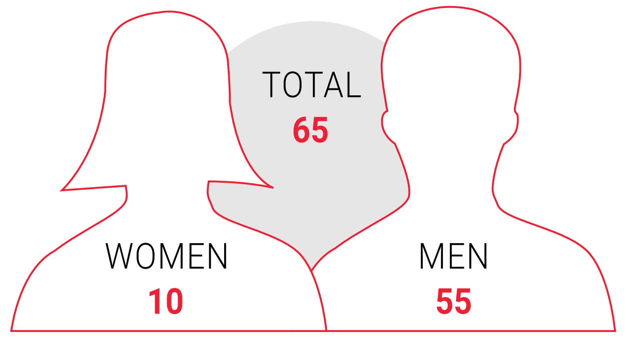
	2021	2022	Change
Scale and structure of employment:			
Number of employees (FTE equivalent)	3,253	3,035	−9%
Number of co-workers (civil law contracts, appointment, cooperation and outsourcing contracts)	1,321	1,106	−16%
Participation of women:			
Participation of women in the Supervisory Board	0%	33%	+33 p.p,
Participation of women in the Management Board	16%	20%	+4 p.p.
Participation of women in senior management	28.13%	15.38%	−12.75 pp
Participation of women in middle management	42.29%	42.50%	+0.21pp
Participation of women among all employees	44.91%	51.20%	+6.29 pp
Equal opportunities in promotions:			
Glass Ceiling Ratio for senior staff	16.78%	35.83%	+19.05pp
Glass Ceiling Ratio for mid-level staff	2.62%	8.71%	+6.10pp
Gender Pay Gap			
Gender Pay Gap for the entire Group	11.5%	27.0%	+15.5pp
Gender Pay Gap for senior management	62.0%	25.3%	−36.7 pp
Gender Pay Gap for middle management	0.3%	18%	+17.7 pp

The latest available data from the Central Statistical Office indicate that in October 2020 the wage gap in Poland was 14.7% [1].

[1] Central Statistical Office, 2022, Gender pay gap in Poland in 2020 https://stat.gov.pl/files/gfx/portalinformacyjny/pl/defaultaktualnosci/5474/12/3/1/roznice_w_wynagrodzeniach_kobiet_i_mezczyzn_w_polsce_w_2020_broszura.pdf

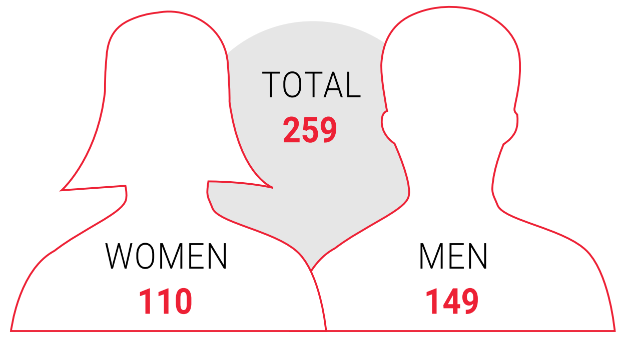
Table 17:
Number of employees on definite term and indefinite term employment agreements in the Group (converted into full-time jobs) by gender, age group and level of the structure

SENIOR STAFF



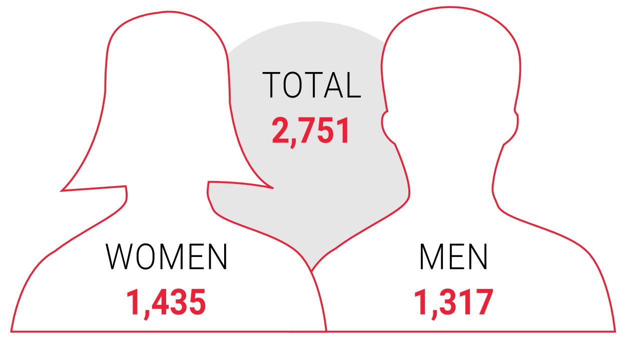
	2021			2022		
	women	men	total	women	men	total
aged 51 and over	3	18	21	0	18	18
aged 31–50	23	51	74	9	37	46
up to 30 years old	1	0	1	1	0	1

MID-LEVEL STAFF



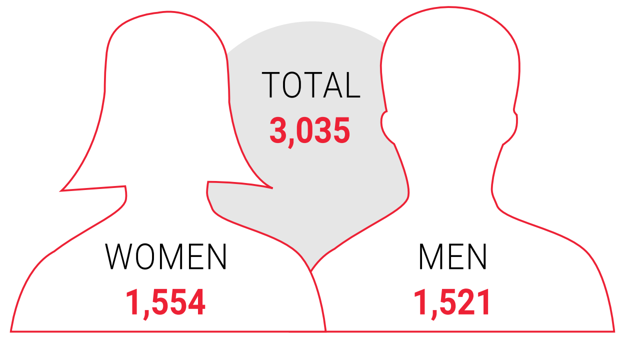
	2021			2022		
	women	men	total	women	men	total
aged 51 and over	7	29	36	13	41	54
aged 31–50	83	97	180	93	106	199
up to 30 years old	6	5	11	4	2	6

OTHER EMPLOYEES



	2021			2022		
	women	men	total	women	men	total
aged 51 and over	311	390	701	422	394	815
aged 31–50	773	808	1,581	738	632	1,370
up to 30 years old	292	441	733	275	291	566

TOTAL FOR ALL LEVELS OF THE STRUCTURE



	2021			2022		
	women	men	total	women	men	total
TOTAL	1,499	1,839	3,337	1,554	1,521	3,035

The table presenting data for Amica S.A. is provided in the attachments to this report.

Table 18.
Trade unions in the Amica Group

[GRI 2-30]

Number of associated employees	320
Percentage of employees associated with trade unions in relation to the total number of employees in the Amica Capital Group	10.5%

9.2. Employee development and education

[404-2]

In 2022, training priorities and development programmes were focused on the following areas:

- Develop soft skills at every level of the position in the group,
- Build performance management and feedback culture through individual cooperation with departments and superiors on formulating goals, giving feedback, etc.
- Train internal trainers and create an offer of internal training conducted by trainers from the HR department,
- Individual coaching sessions
- Specialist training on changes in labour law, controlling as well as fire protection and ecology,
- Participate in events to improve professional qualifications,
- Foreign language courses

The Amica Group increased the number of training hours per employee by over 50% compared to the previous year. In particular, the number of training hours for managers and supervisors increased (+718.66%). The significant increase results from the obligatory training in Group Policies, which every employee of the Amica Capital Group was obliged to complete. No mandatory training was conducted in the previous comparative year.

The main 2 training programmes carried out in the Amica Group in 2022:

AMICA KNOWLEDGE PACKS

The training develops leadership competences in team management, and also motivate employees to cooperate efficitively.

In 2022, **31 participants** took advantage of the programme.

LANGUAGE TRAINING

The classes strengthen language competences in order to improve communication with contractors and within the AMICA group

In 2022, **156 trainees** participated in training.

[404-1]

Table 19:
Average number of training hours and training expenses in the Amica Capital Group in 2022

	2021			2022			change [%]
	women	men	total	women	men	total	
Senior management	6.11	9.20	7.91	37.20	20.52	23.09	191.9%
Managers and Managers	5.89	11.43	8.70	103.83	47.10	71.21	718.66%
Other employees	3.21	5.52	4.08	5.20	7.54	6.32	54.80%
All employees	3.78	7.16	5.19	12.39	11.88	12.14	133.71%
Expenditure on training in a given period [thousand zł]	163.36	241.31	404.66	385.00	897.27	1282.26	216.87%
Average annual training expenses per employee [zł]	556.45	963.26	743.75	247.71	590.11	417.03	-43.93%

The table showing the average number of training hours and training expenses at Amica S.A. in 2022 is provided in the annexes to this report.

9.3. Safety at work

In the production company – Amica S.A., the Health and Safety and Fire Protection Manager is responsible for the process of hazard identification and occupational risk assessment; the manager is supported by other managers who continue to submit requests and comments from other people involved in ensuring the safety of the teams' work . The 1st Vice-President of the Management Board for Operations supervises the OHS area.

In addition, there is an OHS Committee whose composition and tasks are specified in Ordinance No. 10/2022 of 7 July, 2022. The Committee operates on the basis of the Committee Framework Plan, according to which it meets at least once a quarter.

The process of hazard identification and occupational risk assessment is described in detail in Procedure No. B311-00 00 00. The method used to estimate the risk is the Risk Score method, and in the case of measurable factors, the PN-N-18002 method.

The OHS and Fire Safety Manager is responsible for the supervision and management of the activities resulting from the Procedure. To correctly identify hazards, all routine and non-routine activities, the activities of all employees with access to the workplace, the activities of subcontractors and visitors, and workplace equipment must be considered. The risk assessment team includes heads of individual areas, process designers, an occupational medicine physician, and an employee of the OHS and fire safety and a representative of employees – a social labour inspector.

Determining prophylactic and preventive measures is crucial in risk assessment.

The procedure to be followed in the event of an accident at work or sudden illness is described in Instructions No. B511-00 02 00 and B511-00 11 00.

In the production company – Amica S.A., the Health and Safety and Fire Protection Manager is responsible for the process of hazard identification and occupational risk assessment; the manager is supported by other managers who continue to submit requests and comments from other people involved in ensuring the safety of the teams' work . In the event of an accident at work or a sudden illness, appropriate internal procedures are applied for these circumstances.

The increase in the number of accidents and, consequently, the increase in the accident rate is due to the inclusion of two companies in the reporting process, which were not included in the statistics for 2021.

Table 20:
OHS indicators in the Amica Group in 2022

	2021	2022	Change
Employee accidents			
Number of accidents, including:	33	43	30.30%
Minor accidents	32	41	28.13%
Serious accidents	1	2	100.00%
Fatal accidents	0	0	–
Multiple person accidents	0	0	–
Accidents among employees of subcontractors working on the premises of the plant			
Number of accidents, including:	1	0	–100.00%
Minor accidents	1	0	–100.00%
Serious accidents	0	0	–
Fatal accidents	0	0	–
Multiple person accidents	0	0	–
Accident rates			
Accident rate (accidents at work per 1,000 employees)	9.89	13.98	41.42%
Number of days of incapacity for work due to accidents	1288	2.054	59.47%
Accident severity rate (number of days of inability to work per accident)	39.03	47.77	22.39%
Working in conditions of exceeding the standards			
Number of employees working in conditions of exceeding the occupational exposure limits or the permissible exposure limit.	183	81	–55.74%

The table with OHS indicators for Amica S.A. is attached to this report.

9.4. Social programmes and their effectiveness

[GRI 3-3, GRI 413-1]

An important reporting issue:

Local communities

Social activities and sponsorship are regulated by the following corporate documents:

- Donation Policy of the Amica Capital Group
- Amica Group's Sponsorship Policy

The person responsible for shaping and managing social projects is the HR Director, supported in her daily work by the Communication and ESG Manager and the Employee and Social Projects Manager. In turn, the HR Director reports to the Member of the Management Board for Finance and Human Resources.

The ambition of the Amica Capital Group is to leave a lasting and positive influence, above all, where the Group conducts production, operational and commercial activities. Moreover, the Group is involved in nationwide and European campaigns. The main projects in the area of social responsibility are implemented by the Amica S.A. corporate foundation – by the Amicis Foundation. However, donations may be granted directly by companies from the Amica Capital Group on the terms described in the Donation Policy of the Amica Capital Group.

The Amica Capital Group – whether through the activities of the Amicis Foundation or through the donation programme of individual Group companies, supports primarily social projects, which provide:

- Social assistance for people and families in a difficult financial and life situation
- Social assistance for children, seniors, the sick, the lonely, the homeless or addicted
- Help for the disabled
- Improvement in the quality of medical care
- Education support
- Cultivating and promoting sport and active recreation among young people
- Development and support for cultural and environmental activities of young people
- Initiatives to support educational institutions

3.4 million zł

Is the sum we donated to social initiatives and programmes benefiting local communities

9.4.1.
Support for sport

Amica Volleyball Academy

The Amica Group is the founder of the Amica Volleyball Academy, the second largest academy of this type in Poland. The project provides for a three-year training cycle carried out by students of four grades – in 2022, these were children from the second to fifth grade of primary schools from the Greater Poland region. The project aims to develop sports talents, promote sports and a healthy lifestyle. The Amica Group finances the costs of training, as well as the necessary sports equipment, equipment for trainers, and t-shirts for students. UKS Szamotulanin and Wronki Sports Academy supervise the training. The local governments of Szamotuły, Wronki and Rokietnica provide free access to sports facilities.

At the end of the season there is a grand finale. In 2022, over 200 children from primary schools in Szamotuły and Wronki took part in the Grand Final of the Amica Volleyball Academy. As intended, the final of the event is not meant to determine the winners. All children participating in the matches received commemorative medals and diplomas. The main advantage of the project is drawing on the experience of the "Szamotulanin" Student Sports Club, which has had a number of significant successes in training the successors of Katarzyna Skowrońska and Bartosz Kurek.

173,700 zł
The Amicis Foundation donated funds to non-governmental organisations, educational institutions, social centres and families in need.

100,000 zł
of aid provided as part of the annual Christmas Gift of the Heart campaign.

80
nurses, orderlies, and other people who take care of patients on a daily basis, received from the Amicis Foundation before Christmas selected Amica brand devices, such as blenders, steamers, juice extractors, kettles, etc.

205
small and large household appliances in 2022, the Amicis Foundation donated to third sector organisations, social centres, nursing homes, educational institutions and families in need.

488,000 zł this is how much the Amicis Foundation donated to charity in 2022

9.4.2. Fundacja Amicis (Amicis Foundation)

The Amica Capital Group is the main sponsor of the Amicis Foundation – one of the largest organisations supporting people in need in Greater Poland. The Foundation was established in 2005 in Wronki. Its purpose is to help those who need it most. In the social area (social programmes, Amicis Foundation), the Amica Group started work on a tool for managing donations made by the Amicis Foundation and Amica S.A.. The aim is to ensure a consistent and fully transparent implementation of the donation process

The Amicis Foundation supports kindergartens and schools, nursing homes and hospitals, especially in small towns. It provides funds for the implementation of various projects and donations in the form of Amica household appliances. The Foundation also helps the disadvantaged and those in need. The organisation is made up of a group of women who are socially active in it. The Amica Group has been the main sponsor of the Foundation from the very beginning, and its employees and firefighters from the Amica Volunteer Firefighting Unit support the ladies from the Foundation in their social activities.

All persons involved in the activities of the Foundation work voluntarily, receiving no remuneration for their work. Almost 100% of the funds at the Foundation's disposal are donated to social needs.

Gift of the Heart of the Amicis Foundation

Gift of the Heart is a Christmas campaign organised every year by the Amicis Foundation, the aim of which is to support families in a difficult life circumstances, people with disabilities or employees of social institutions during the holiday season. As part of the campaign, the Foundation collected a total of 404 packages with gifts and dry food, as well as 350 packages with cold meats. The gifts were donated to social welfare homes, participants of Occupational Therapy Workshops, kindergartens and people in need. Employees of Amica, the Lech Poznań sports club, the MagoVox foundation, employees of Amica International based in Ascheberg (Germany) and individual donors were involved in the campaign.

9.4.3. Firefighting Unit

Amica Volunteer Firefighting Unit was founded in 1953, is financed exclusively from the Company's budget (150,000 zł in 2022) and today it consists of 49 members – Amica S.A. employees, including 39 men and 10 women. In addition to rescue operations, the Amica Volunteer Firefighting Unit provides valuable assistance to the local community, e.g. supports the activities of the Amicis Foundation, delivers parcels to those in need, helps in the shelter in Rusiec and Brodziszewo, and also participates in other charity events.

90 rescue operations, including **24** fires and **64** local threats

104 hours

the number of hours Amica Volunteer Firefighters spent in action

9.4.4. Other activities

Amica for Ukraine

The Amica Group provided structured assistance to Ukrainian refugees, including the families of its employees from Ukraine. The company organised accommodation for nearly 50 people, as well as structured support, which enabled them to quickly adapt to the new environment. At the same time, the Group made large-scale donations of household appliances and sent dressings and basic necessities for women and children to a warehouse near Lviv. When the refugee situation began to stabilise in the second half of the year, Amica continued to support refugees. 22 students from Poland and Ukraine experienced an unforgettable culinary adventure at integration workshops organised by the company at its headquarters. In addition, in cooperation with the Amicis Foundation, the company's employees were involved in organising a Christmas Eve meeting for children from Ukraine in the community centre in Wronki.

The Amica Group made numerous donations of its appliances, which went, among others, to to a temporary point at the Poznań International Fair, the Municipal Social Welfare Centre in Wronki and the Barka Foundation. In addition, in cooperation with the Polish Development Fund Foundation, we equipped 70 apartments in Mińsk Mazowiecki with household appliances, donating a total of 280 appliances. Nearly 200 more appliances were delivered to the capital city of Warsaw, which organises accommodation for refugees.

Pre-incubation

The programme of student pre-incubation and design challenges in the Amica Group was implemented in the academic year 2021/2022. Students who qualified for the programme after several months of recruitment, developed their skills over the following months under the supervision of experts from the Amica Group and the Foundation, including people representing the university environment.

Students took part in workshops and training on Design Thinking and Design Sprint methods, IT tools for project work, SWOT analysis of the company's strengths and weaknesses, as well as analysis of their own skills and strategic exercises. As part of the programme, numerous advisory consultations with tutors and experts were held, during which ideas for practical implementation in the company were analysed. Students were guided based on the startup culture so that in the future they would be prepared to create their own solutions.

The first corporate incubator in Poland can be summed up in numbers: 8 months of design work, 7 student teams, 24 participants from 3 Poznań universities, 5 series of workshops, 3 stages of verification and countless consultations with tutors and experts. The projects that reached the grand finale focused on both internal processes – a virtual advisor for business trips, lorry logistics at the factory in Wronki, a gamification platform for the Group's employees, and external employees – an innovative interface for ovens, Internet of Things in household appliances, communication challenges in the era of an aging society or the concept of multi-sensory impact on users.

AmiCare programme

Out of concern for the health and well-being of employees, in 2022 the Amica Group launched the AmiCare health care programme – Health and Relaxation Zone. The company wants to ensure that employees work in a healthy and safe working environment. In addition to the offer of medical examinations for employees, the AmiCare tab – Health and Relaxation Zone was also created on the internal website of the Intranet Plus network. The content in the tab supports employees in expanding their awareness of physical and mental health and helps them to effectively shape healthy habits (in various areas of our lives, including preventive health care, nutrition, physical activity, occupational hygiene).

In 2022, detailed cardiological examinations were carried out for Amica Group employees on the company premises, attended by over 70 employees, oncology workshops on breast cancer and cervical cancer, cytological examinations in cooperation with Flower of Femininity, attended by over 90 women, and mammography, attended by about 200 women. Amica also cares about the mental health of employees by providing psychological support in psychological offices and online. The assistance is free for employees and guarantees anonymity towards. The mental health support programme has been running since 2020 and every year the company increases its availability for employees.

Perfect fridge

The Amica Group, in cooperation with SOS Food Bank in Warsaw, the Santander Bank Polska SA Foundation and partners from the household appliances industry, became involved in the "Perfect Fridge" educational project.

In the spring of 2022, special magnetic boards were produced and workshops were held in schools, during which children learned how to store food to keep it fresh. With the start of the project, an online game with a tutorial on minimising food waste was launched. Online gaming combines fun and education, and at the same time creates additional value, because it is a great proposition for whole families to spend time together.

The Amica Group has been cooperating with Food Banks for over three years, and also runs its own campaign "Better store than waste" and is involved in helping organisations located throughout Poland, e.g. handing over fridge-freezers. In the social area, we continued the "Amica for others" campaign, which brings together activities aimed at seniors, medical personnel and helping those in need.

Family is important

The company wishes not only to provide employees with friendly working conditions, but also to enable them to fulfil themselves in other fields. From the very beginning, the "It's all about family" programme aimed universal access, i.e. equally available to all women and men working in the company.

Anyone deciding to take parental leave, had 100% basic salary guaranteed by the company in 2022, also in cases where the regulations in force in Poland provide for 60 or 80 percent. Therefore, regardless of the decision which of the parents would take parental leave, they received their full salary. In addition, the programme introduced the option of taking advantage of an additional day off work for fathers of children – while maintaining the right to full salary.

Since 2019, over 270 employees have benefited from the "It's all about family" programme. The aim of the programme was that the employee, from the very beginning of parenthood, and then during reconciling it with work, should feel that it is a challenge that the employer can share with the parents. It is important that the employer also participates in the process of social change, which should give families a choice and support women in returning to work faster, if that is what they want.

Work of the future – collaboration with schools

The Amica Group took the patronage of a class of a 1st degree trade school in the professions of a locksmith and CNC machine tool operator at the Konarski School Complex No. 2 in Wronki, in order to properly prepare students for work in the future. The company has organised additional classes for students of the above grades conducted by our specialist engineers (classes outside school hours), and students learned technical drawing, the basics of materials science and programming. As part of the collaboration, we also equipped the school's computer lab and actively participate in celebrations organised by the school, supporting and observing the progress of students.

For three years of study, students who achieve a minimum grade point average of 3.7 receive scholarships from Amica after each completed semester. In addition, some students undergo practical vocational training at Amica. Young people study for three years and gain practice and qualifications in a given profession, and after completing their studies, the best students receive job offers at Amica. In addition, the company accepts students from secondary schools (Technical School of Economy) and other local vocational schools for apprenticeships.

10. FINANCES OF THE AMICA CAPITAL GROUP AND AMICA S.A. IN 2022

10.1. Principles of drawn up financial statements

Finances of the Amica S.A. Capital Group

Detailed information on the principles of drawing up the financial statements of the Amica Capital Group are presented in the Consolidated Financial Statements in Note 6.

Finances of Amica S.A

Detailed information on the principles of drawing up the financial statements of Amica S.A. are presented in the Separate Financial Statements in Note 8.

10.2. Current and predictable financial situation

The year 2022 was one of the most demanding in the company's history. As a consequence of the armed conflict beyond Poland's eastern border, the Amica Group had to face many challenges, in particular in terms of limiting production to Russia due to the imposed sanctions. This situation was additionally compounded by the economic slowdown in all European countries, which is the aftermath of COVID-19, the energy crisis and rising prices of raw materials.

Despite the difficult macroeconomic situation, the Amica Group maintained revenues at a level similar to 2021.

The following factors influenced the financial results of the AMICA Group in 2022:

- Effective implementation of price increases for Amica Group products and goods in the first and third quarters of 2022.
- Adjusted the production volume to the current market demand.
- Decrease in gross profit margin on sales is related to:
  - high costs of raw materials and components for the production of heating appliances,
  - high cost of sea freight,
- Higher costs of sales (57.5 million zł) due to costs of transport, storage and service related to the larger amount of appliances under warranty.
- Lower general and administrative expenses (8.1 million zł) related to the implemented savings plans.
- Positive deviation on other operating activities related mainly to the reversal of the provision for court cases.
- Gross profit of 3.8 million zł lower by 141.1 million zł than last year.

TABLE 21:
Main items of the statement of comprehensive income of Amica Capital Group and Amica S.A.

P&L [million zł]	Consolidated data				Separate data	
	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021	Change	Dynamics %	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
Revenue from agreements with customers	**3,415.8**	**3,433.9**	**(18.1)**	**(0.5%)**	**1,825.1**	**1,982.7**
Gross profit on sales	**744.1**	**827.5**	**(83.4)**	**(10.1%)**	**215.9**	**311.0**
Gross profit on sales	**21.8%**	**24.1%**	**(2.3) pp**		**11.8%**	**15.7%**
Cost of sales	470.0	412.5	57.5	13.9%	132.1	129.2
General administrative expenses	261.7	269.8	(8.1)	(3.0%)	114.6	117.8
Balance of other operating income and other operating expenses	7.6	2.9	4.7		0.9	4.2
Profit (Loss) due to expected credit gains/losses	1.9	(1.8)	3.7		–	(0.1)
Profit/(Loss) from operations (EBIT)	**18.1**	**149.9**	**(131.8)**	**(87.9%)**	**(29.9)**	**68.3**
Operating profit margin	0.5%	4.4%	(3.9) pp		(1.6%)	3.4%
EBITDA [1]	**87.7**	**219.5**	**(131.8)**	**(60.0%)**	**22.9**	**117.2**
EBITDA margin	2.6%	6.4%	(3.8) pp		1.3%	5.9%
Result from financial activities	(14.3)	(5.0)	(9.3)		70.9	36.8
Gross profit	**3.8**	**144.9**	**(141.1)**	**(97.4%)**	**41.0**	**105.1**
Gross profit margin	0.1%	4.2%	(4.1) pp		2.2%	5.3%
Net profit (loss)	**(9.7)**	**111.2**	**(120.9)**	**(108.7%)**	**33.6**	**90.5**
Net profit/(loss) margin	(0.3%)	3.2%	(3.5) pp		1.8%	4.6%

[1] EBITDA calculated as the operating profit + amortisation

TABLE 22:
Financial standing: assets of the Amica Capital Group and Amica S.A.:

[million PLN]	Consolidated data				Separate data	
	31 December 2022	31 December 2021	Change	Dynamics %	31 December 2022	31 December 2021
Property, plant and equipment	455.0	434.5	20.5	4.7%	409.6	386.5
Intangible assets	142.3	127.7	14.6	11.4%	61.6	46.3
Other fixed assets	138.3	149.5	(11.2)	(7.5%)	417.1	419.8
Deferred income tax assets	59.9	62.4	(2.5)	(4.0%)	17.3	28.3
Current Assets	1,402.4	1,735.3	(332.9)	(19.2%)	689.5	848.9
Inventory	653.5	811.6	(158.1)	(19.5%)	318.0	348.6
Receivables from deliveries and services and other receivables.	493.9	725.6	(231.7)	(31.9%)	313.5	457.5
Other current assets	88.6	138.2	(49.6)	(35.9%)	53.7	31.9
Cash and cash equivalents	166.4	59.9	106.5	177.8%	4.3	10.9
Total assets	**2,197.9**	**2,509.4**	**(311.5)**	**(12.4%)**	**1,595.1**	**1,729.8**

Key events affecting the financial standing of the Amica S.A. Group in terms of assets:

- The increase in the volume of property, plant and equipment was mainly due to investment activity. In the current period, the Group allocated over 65.3 million zł for the increase in value, including generation and acquisition. Expenses focused mainly on expenditure improving the efficiency and flexibility of production, automation and digitisation.
- The Group focused on activities related to improving the quality of inventory and its turnover. The delivery time for trade goods from China has also been reduced. These factors translated into a decrease in inventories by nearly 160 million zł.
- The decrease in receivables by over 230 million zł is related to the effective use of factoring and the conclusion of new contracts for the Danish, Russian and English companies.
- Cash amounted to 166.4 million zł.

TABLE 23:
Financial standing: liabilities of Amica Capital Group and Amica S.A.:

[million PLN]	Consolidated data				Separate data	
	31 December 2022	31 December 2021	Change	Dynamics %	31 December 2022	31 December 2021
Total equity capital	1,107.0	1,142.9	(35.9)	(3.1%)	1,060.0	1,049.2
Total liabilities	1,090.9	1,366.5	(275.6)	(20.2%)	535.1	680.6
Long term liabilities	184.3	214.5	(30.2)	(14.1%)	111.8	121.1
Current liabilities	906.6	1,152.0	(245.4)	(21.3%)	423.3	559.5
including short-term provisions	65.1	82.8	(17.7)	(21.4%)	21.6	31.3
Total liabilities	**2,197.9**	**2,509.4**	**(311.5)**	**(12.4%)**	**1,595.1**	**1,729.8**

Key events affecting the financial standing of the Amica S.A. Group in terms of liabilities:

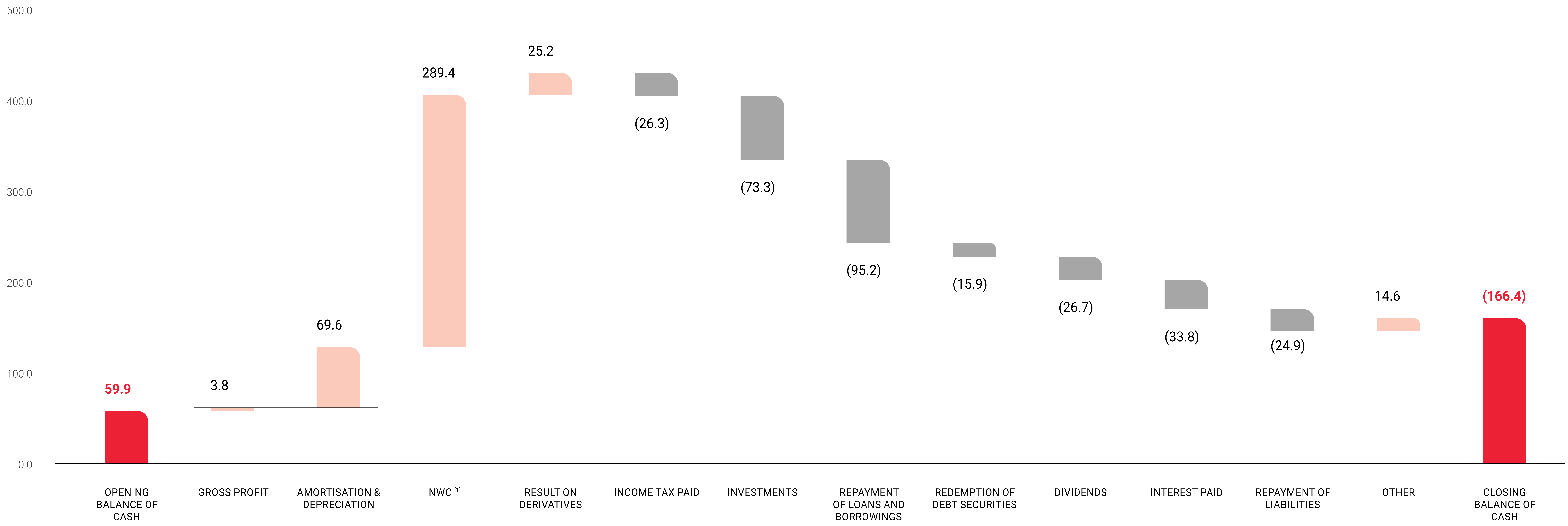
- The change in equity by 35.8 million zł resulted mainly from the dividend paid (decrease).
- The Group significantly reduced its credit debt, both long – and short-term, by a total of 104.7 million zł.
- The current ratio at a satisfactory level of 1.55. The overall debt ratio decreased to the level of 0.50 (from 0.54).
- At the end of 2022, the Group had a stable financial position.

TABLE 24:
Cash flows of Amica Capital Group and Amica S.A.:

[million PLN]	Consolidated data			Separate data	
	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021	Change	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
Net cash flows from operating activities	378.9	(167.0)	545.9	189.3	(60.4)
Net cash from investing activities	(73.3)	(84.5)	11.2	(54.0)	(42.8)
Net cash from financial activities	(200.9)	41.5	(242.4)	(141.6)	2.7
Opening balance of cash	**59.9**	**270.4**	**(210.5)**	**10.9**	**111.0**
Balance sheet change in cash	106.5	(210.5)	317.0	(6.6)	(100.1)
Closing balance of cash	**166.4**	**59.9**	**106.5**	**4.3**	**10.9**

[million zł]

CHART 3:
Consolidated Statement of Cash Flows of the Amica S.A. Capital Group for 2022



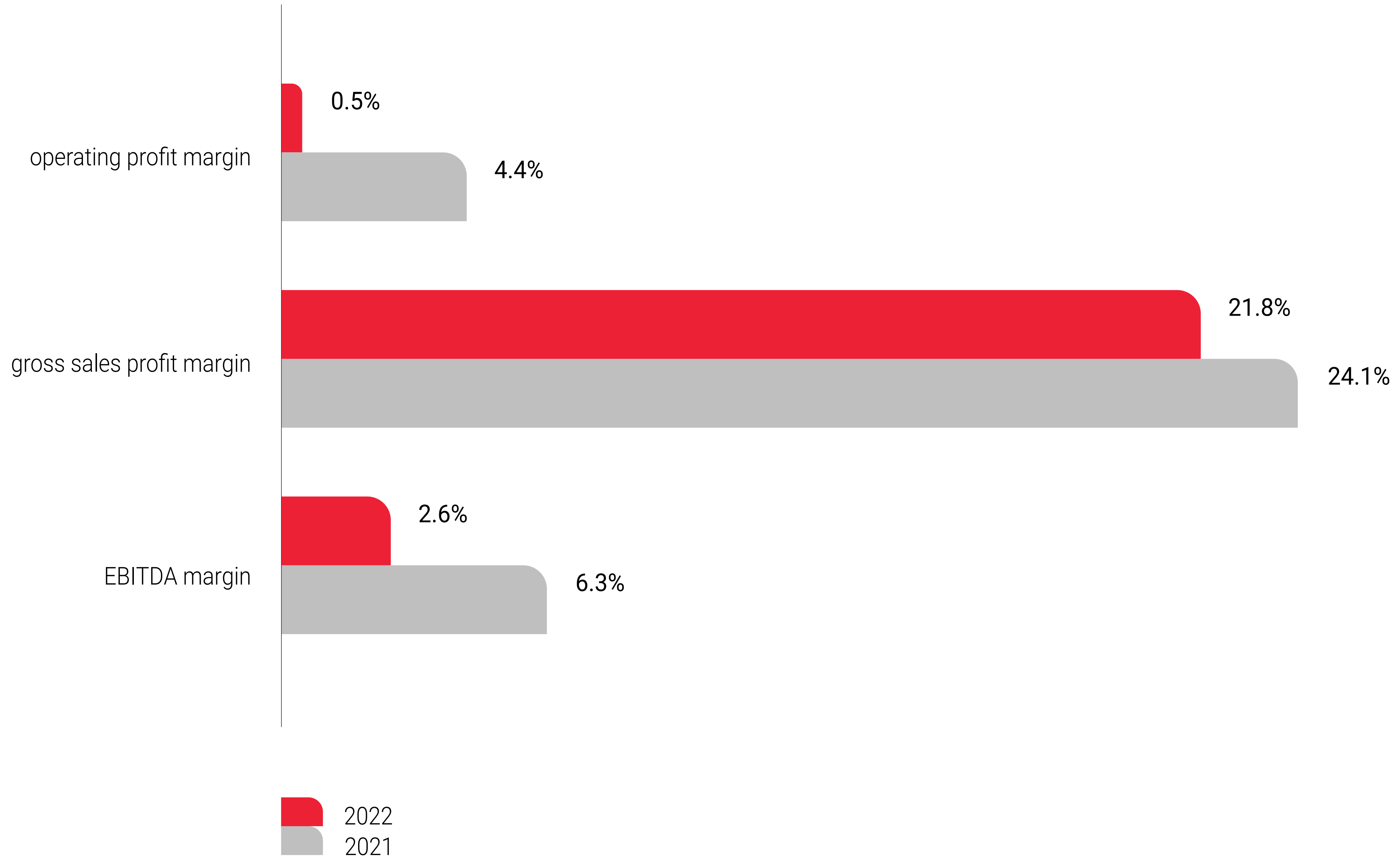
[1] NWC, i.e. net working capital calculated as a change in inventories, receivables, payables and accruals

10.3. Financial ratios

TABLE 25:
Key financial indicators

Key financial indicators	Consolidated data		KPI	Separate data	
	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021		For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
gross sales profit margin	21.8%	24.1%	profit from gross sales for the period / net revenue from sales in a given period	11.8%	15.7%
EBITDA (millions zł)	87.7	215.8	increased operating profit + depreciation	22.9	117.2
EBITDA margin	2.6%	6.3%	EBITDA / net sales revenue in the period in question	1.3%	5.9%
operating profit margin	0.5%	4.4%	operating profit / net sales revenues for the period	(1.6%)	3.4%
net margin	(0.3%)	3.2%	net profit / net revenues from sales for the period	1.8%	4.6%

Key financial indicators	Consolidated data		KPI	Separate data	
	31 December 2022	31 December 2021		31 December 2022	31 December 2021
working capital (millions zł)	495.9	583.3	current assets – short-term liabilities	266.2	289.4
current liquidity	1.55	1.51	current assets / short-term liabilities	1.63	1.52
Total debt ratio	0.50	0.54	total liabilities / total assets	0.34	0.39
debt equity ratio	0.99	1.20	total liabilities / equity	0.50	0.65
net debt	54.9	275.2	(leasing liabilities, credits, loans) – cash	148.5	233.5
RONA	7.1%	14.7%	EBITDA / (KON+AT) [12 months]	1.9%	8.9%



10.4. Credits and loans

Information on credits, loans and other debt instruments is provided in the Separate Financial Statements in Note 29 and in the Consolidated Financial Statements in Note 30.

10.5. Investments and capital deposits

The Amica Group intends to allocate capital expenditure to:

- R&D projects aimed at developing and creating new solutions and products. In the implementation of some projects AMICA Group already cooperates with the National Centre for Research and Development,
- Another extremely important area will be expenditure on projects related to increasing production capacity and improving production efficiency by allocating some of the expenditure to automation processes.
- The process of reducing the energy consumption of production and green energy production projects as well as further mitigation of the environmental impact will also be continued.
- The last elements, no less important in the era of digitization, are investments intended for IT development and improvement of IT security.

In the opinion of the Company, the resources held are sufficient to implement the planned investments and as at the date of this annual report.

Capital investments

Information on deposits held is provided in the Separate Financial Statements in Note 27 and in the Consolidated Financial Statements in Note 27.

10.6. Guarantee and surety agreements and contingent liabilities

Finances of the Amica S.A. Capital Group

As at the balance sheet date, the Group had no contingent liabilities.

The group has after-sales guarantees.

Details are provided in the Consolidated Financial Statements in note 12 in point 2.

Finances of Amica S.A

As at the balance sheet date, Amica S.A. granted sureties securing credit liabilities and treasury letters of credit to its subsidiaries.

A detailed description of contingent liabilities can be found in the Separate Financial Statements in Note 33.

The company has after-sales guarantees.

10.7. Issuance of debt securities

In 2022, no bonds were issued.

In 2021 the AMICA S.A. – the Parent Company issued short term bonds on the domestic market, at the same time repurchasing previously issued bonds.

Detailed information is provided in the Separate Financial Statements in Note 29 and in the Consolidated Financial Statements in Note 30.

These bonds bear interest based on WIBOR 3M + margin.

A portion of bonds issued for the purchase of shares in the subsidiary bears interest under the terms of WIBOR 6M + margin.

The bonds were issued in order to reduce costs and diversify the sources of financing of the Company.

10.8. Financial instruments

A detailed description of financial instruments can be found in the Separate Financial Statements in Note 38 and in the Consolidated Financial Statements in Notes 37 and 38.

10.9. Profit distribution and financial result forecast

As at the date of publication of these statements, the Company has not made a decision on the distribution of the result for 2022.

Neither the Group nor the parent company publish forecasts of financial results.

10.10. Assessment of financial resources management

Throughout 2022, the Group and the Company continued their current policy for liquidity management, consisting in the diversification of financing sources and the use of a number of tools for effective liquidity management and optimisation of financial costs, including the systems of consolidation of funds.

The Management Board of the Group monitors the market situation and the prices of raw materials and utilities, mainly gas and energy, on an ongoing basis. The increase in these costs and the war in Ukraine will be a challenge for the Group in 2023. The Group will take appropriate measures to ensure that this unfavourable circumstance does not adversely affect the achieved results.

10.11. Transactions with affiliates and subsidiaries

A detailed description of transactions with related parties can be found in the Separate Financial Statements in Note 34 and in the Consolidated Financial Statements in Note 34.

11. STATEMENT ON THE APPLICATION OF CORPORATE GOVERNANCE

11.1. Management Board, Supervisory Board

[GRI 2-9, GRI 2-10, GRI 2-11, GRI 2-12, GRI 2-13, GRI 2-14, GRI 2-17, GRI 2-18]

Only highly skill and competent and experienced persons are appointed to the Management Board and the Supervisory Board. Members of the Management Board and Supervisory Board of the Company are elected by the General Meeting, therefore the final decision on the composition of these bodies rests with the Company's shareholders. Thus, the Company may at best provide for mechanisms thanks to which the Company's shareholders will be able to ensure the versatility of these bodies (e.g. by defining the requirements for members of the Company's bodies or by enabling the submission of appropriately diversified candidates). The term of office of the Supervisory Board is three years, while the term of office of the Management Board is four years.

As at 31 December, 2022, the Management Board of Amica S.A. was composed of:

Full name	Position	Area of responsibility:
Jacek Rutkowski	President of the Management Board	• manages the work of the Management Board, • shapes the Company's strategy, including business development
Marcin Bilik	1st Vice-President of the Management Board for Operations	• manages production, including responsibility for investments and maintenance • manages the product research and development department, • manages the certification and ecology department, including the implementation of the climate change mitigation strategy • components purchasing department, • OHS and fire safety department • quality management department.
Alina Jankowska-Brzóska	Vice President of the Management Board responsible for Trade and Marketing	• Conducts all work related to commercial and marketing activities in all companies of the Amica Capital Group
Robert Stobiński	Member of the Management Board for Digitisation, Logistics and Goods Management.	• manages IT systems, including supervision over data security and technological development of the Group, • the Group's logistics strategy, including supply chain management, • relations with suppliers, subcontractors and supervision of related operations.
Michał Rakowski	Member of the Management Board for Finance and Human Resources	• Responsible for financial management of the Amica Capital Group, including the accounting department, treasury, controlling and ESG issues, in particular corporate governance, compliance, risks and strategic management of the human resources department.

In 2022, one member left the Management Board, whose duties were taken over by Robert Stobiński.

Delegation of responsibility for impact management, role of highest governance bodies in sustainability reporting and collective expertise of the highest governance body

The Supervisory Board: supervision and validation of strategic plans, including sustainable development

In terms of ESG issues, the Supervisory Board is a body that validates strategic plans, including in the area of IT and digitisation, minimising the Group's impact on the natural environment or in the area of human resource management, and supervises implementation. In addition, the Supervisory Board is informed on an ongoing basis about the progress and results of work on individual strategic projects, including those in the field of Environmental, Social, and Governance.

Management Strategic Environmental, Social and Governance management

At the Management Board level, the person responsible for issues related to sustainable development, in particular for collecting and processing non-financial data, for issues in the social and management area, is the member of the Management Board responsible for Finance and Human Resources. Environmental issues are reported to the 1st Vice-President of the Management Board. The other members of the management board monitor ESG aspects through the business activities of the areas under their responsibility.

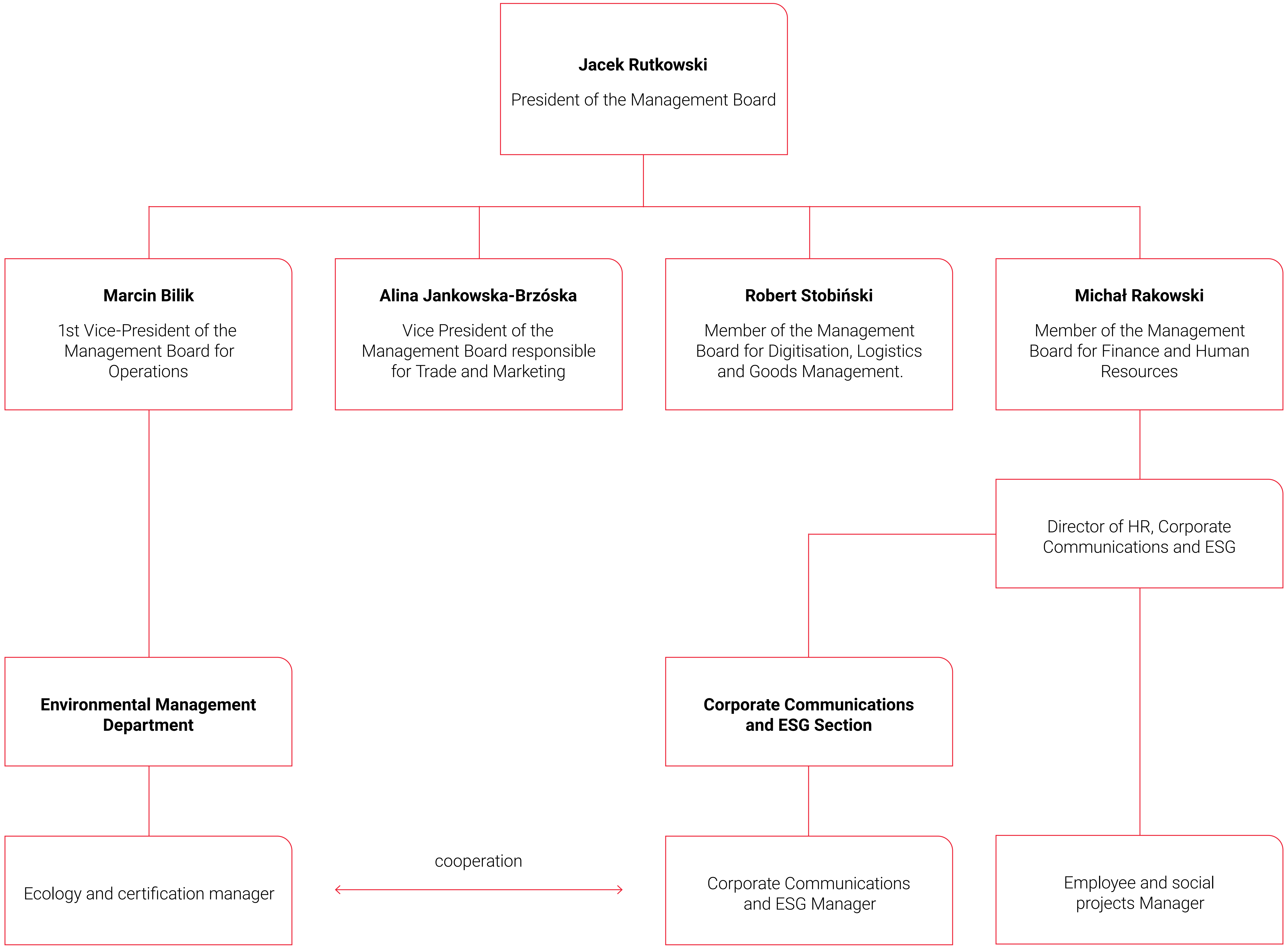
Issues related to ESG are reported to the members of the Management Board responsible for a given area once a quarter during direct talks or meetings of the Management Board. In addition, the Management Board approves the sustainable development report once a year and allows it to be published.

Managerial staff: Ongoing sustainable development management

In the Environmental, Social, and Governance area, the Management Board Member for Finance and Human Resources is supported in his daily work by the HR Director and the Corporate Communications and ESG Manager reporting to him, who in turn works with the Ecology and Certification Manager, reporting to the Vice President for Operations.

During the year, both Management Board Members and the managerial staff responsible for ESG issues participated in workshops to develop Amica Group's strategy for sustainable development and a road map for the circular economy.

ESG in the organisational structure of the Amica Group



Supervisory Board

In 2022, there were changes in the composition of the Supervisory Board, which two new members joined. As at 31 December, 2022, the Supervisory Board of Amica SA was composed of:

- Tomasz Rynarzewski – Chair the Supervisory Board
- Paweł Małyska, Independent Member of the Supervisory Board
- Katarzyna Nagórko, Independent Member of the Supervisory Board
- Aleksandra Petryga, Member of the Supervisory Board
- Piotr Rutkowski, Member of the Supervisory Board
- Paweł Wyrzykowski, Member of the Supervisory Board

The Standing Committees of the Supervisory Board include:

- Audit Committee
- Operating Committee
- Compensation and Nomination Committee.

Audit Committee

Members of the Audit Committee include:

- Katarzyna Nagórko, Chair of the Committee
- Paweł Małyska
- Paweł Wyrzykowski

The responsibilities of the Audit Committee include, in particular:

- Monitor the financial reporting process and inform the Supervisory Board about the results of auditing the Company's financial statements
- Monitor the effectiveness of internal control, risk management and internal audit systems, including in the field of financial reporting;
- Monitor the performance of financial audit activities, in particular the conduct of audits by the audit firm, taking into account the conclusions and findings of the supervisory authority over audit firms
- Verify and monitor of the independence of the statutory auditor and the audit firm carrying out the audit of the Company's financial statements
- Assess the independence of the statutory auditor and the audit firm auditing the Company's financial statements and expressing consent for provision of services other than the audit of the Company's financial statements to the Company;
- Develop a policy and procedures for selecting an audit firm for auditing the Company's financial statements;
- Develop a policy under which an audit firm in charge of auditing the Company's financial statements, its associates or members of its audit network may provide other permitted services different than audit of the Company's financial statements;
- Present recommendations to the Supervisory Board regarding the selection of a statutory auditor or an audit firm to audit the Company's financial statements.
- Present the Supervisory Board and the Management Board with the recommendations aimed at ensuring the reliability of the Company's financial reporting process.

Operating Committee

The Operations Committee is composed of:

- Tomasz Rynarzewski – Chair of the Committee
- Piotr Rutkowski
- Paweł Wyrzykowski

The responsibilities of the Operations Committee include:

- Provide opinions on the overall current operations of the Company and the Amica Capital Group, in particular in the area of operations, production, commerce, HR, purchasing, logistics, IT, service, product quality and organisation, taking into account potential opportunities and risks
- Provide opinions on the long-term development strategy and annual operational and financial tasks developed by the Management Board
- assess and monitor the impact of the Company's investment activities on the Company's assets as well as its development and on-going operation;
- assess the acquisition capacity in line with the Company's development strategy objectives and assess its short-, medium – and long-term impact on the Company's financial results
- review strategic documents, in particular regarding the purchase, sale or encumbrance of significant assets of the Company

Compensation and Nomination Committee.

The Compensation and Nomination Committee is composed of:

- Paweł Wyrzykowski – Chair of the Committee
- Mr Tomasz Rynarzewski
- Aleksandra Petryga

The responsibilities of the Compensation and Nomination Committee include:

- formulate and present to the Supervisory Board opinions regarding the terms of employment and compensation for Members of the Management Board of the Company;
- formulate and present to the Company's Supervisory Board proposals regarding the terms of employment and compensation for Members of the Management Board, ensuring compliance of the proposals with the principles of remuneration adopted by the Company as well as the performance assessment for individual Members of the Management Board;
- Participate in the recruitment of Members of the Management Board of the Company and provid the Supervisory Board with recommendations regarding the recruitment of Members of the Management Board of the Company

[GRI 2-19]

Performance Evaluation and Remuneration Policy of the highest governing body

Amica Capital Group has a Remuneration Policy in relation to Members of the Management Board and Members of the Supervisory Board of adopted by Resolution No. 25/2020 of the Ordinary General Meeting of "Amica Spółka Akcyjna" of 27 August, 2020 and the document is available on the corporate website of the Group https://ir.amica.pl/lad-korporacyjny.

[GRI 2-20]

Remuneration determination process of the highest governing body

In the Capital Group, remuneration is determined based on:

- Analysis of market remuneration in companies of similar profile
- Scope of responsibility resulting from the functions performed

Rules for determining remuneration for members of the Supervisory Board and the Management Board:

Management

The remuneration has a fixed and variable part in the form of bonus systems

Fixed remuneration

Variable remuneration:

bonus remuneration (Annual Individual Bonus)

The right to acquire the Company's shares

Supervisory Board

Fixed monthly remuneration independent of the Group's financial results

Flat-rate fixed remuneration

Remuneration of Members of the Management Board in 2022:

Position	
President of the Management Board	2,2 million zł
1st Vice-President of the Management Board for Operations	1 mln zł
Vice President of the Management Board responsible for Trade and Marketing	0,9 million zł
Member of the Management Board for Digitisation, Logistics and Goods Management.	0,9 million zł
Member of the Management Board for Finance and Human Resources	0,6 million zł

11.2. Amica Group values

[GRI 2-23, GRI 2-25]

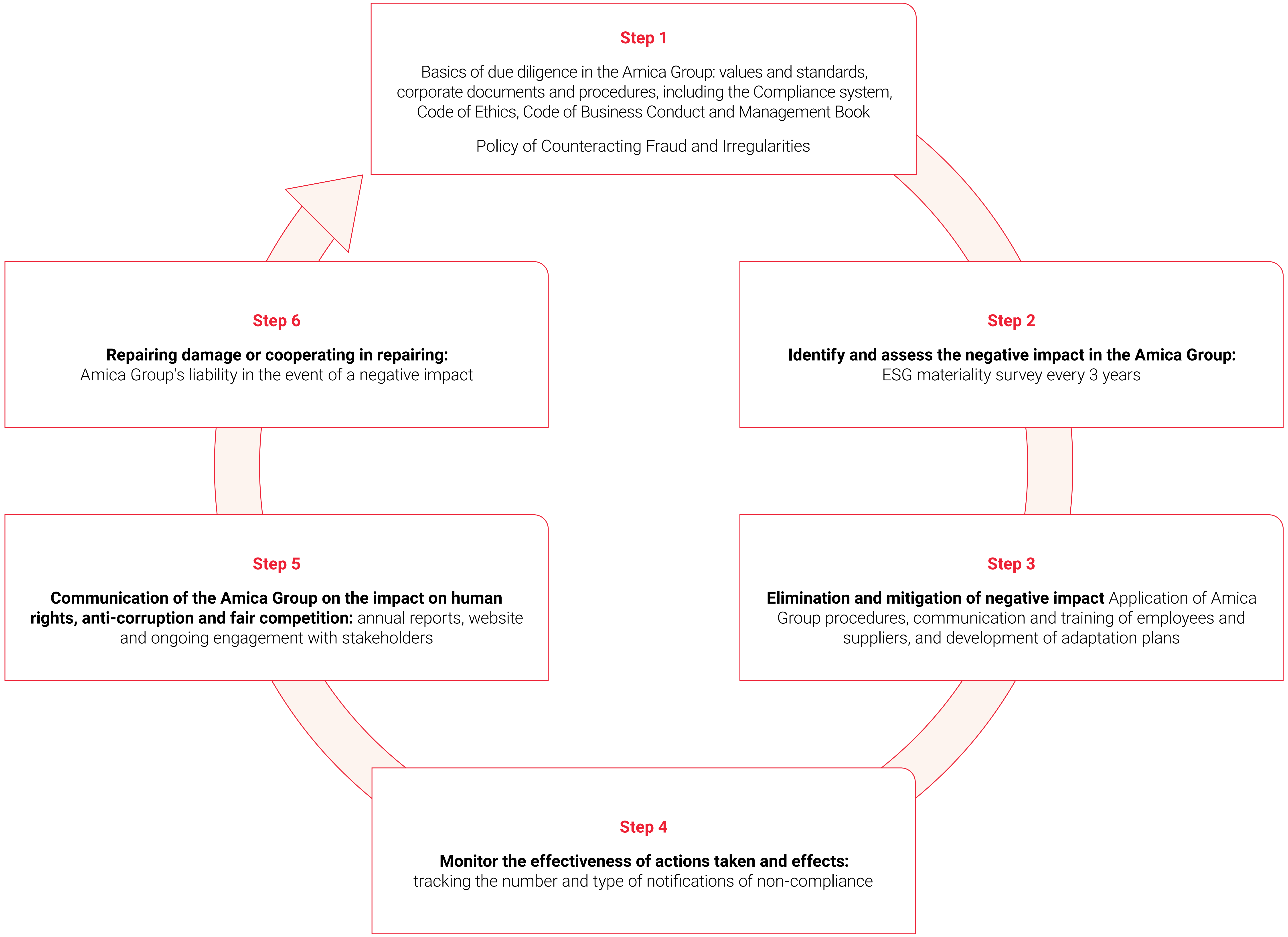
The values that guide us in the Amica Capital Group:

When and who?	The values we follow
Business relations	Broad perspective, entrepreneurship, responsibility
In relation to other people	Development, cooperation, respect
Every employee of the Amica Group	Honesty, openness, ambition

11.3. Applying due diligence

In the Amica Capital Group, we understand the principle of due diligence as a continuous and proactive process aimed at identifying negative impact on human rights, corruption, unfair competition, tax practices, conflicts of interest and making such decisions in the Group that will eliminate or reduce their occurrence. We apply this due diligence principle in relation to 6 important aspects of sustainable development:

- impact on human rights
- Counteracting corruption
- combating unfair competition practices
- tax practices
- counteracting conflict of interest
- impact on the natural environment



11.4. Compliance system

[GRI 2-23]

A comprehensive Compliance system is implemented in the Amica Capital Group, which ensures compliance with Polish and European law, internal regulations, ethical standards and the Group's values. Member of the Management Board for Finance and Human Resources is the person responsible for strategic management of the Compliance function in the entire Amica Capital Group. On the other hand, the Compliance Unit, which controls the activities of employees, is responsible for the day-to-day operation of the management system, including monitoring the compliance of business units' activities.

The Compliance System of the Amica Capital Group is a set of universal rules of conduct, common to the entire Group and constituting the basis for the established Compliance Management System (CMS). This system also ensures compliance throughout the Group with regard to the Personal Data Security Policy, which is supervised by the Group Personal Data Protection Inspector. As part of this system, the Procedure for reporting personal data incidents has been adopted, which explains the method of reporting any irregularities related to violations in this area (e.g. loss of documents, sending an e-mail to an unauthorised person, theft of data carriers, etc.).

The Amica Group has a number of policies relating to the company's operations. They include the following:

- Code of Ethics
- Code of Business Conduct
- Donation Policy of the Amica Capital Group
- Amica Capital Group Sponsorship Policy
- Remote Work Policy
- Purchasing Policy
- Policy of Counteracting Fraud and Irregularities
- Customer Verification Policy
- Compliance Policy
- Personal Data Security Policy
- Management policy
- Diversity Management Policy
- Gift Acceptance Policy

All policies applicable in the Amica Group are adopted by a resolution of the Management Board.

11.5. Code of Ethics

The Code of Ethics of the Amica Capital Group:

1. Comply with the law, policies and procedures of the Amica Group
2. Respect, treat equally and do not discriminate
3. Prevent mobbing
4. Prevent sexual harassment
5. Communicate internally based on respect
6. Prevent nepotism
7. Properly use the Amica Group resources
8. Avoid and prevent conflict of interest
9. Ensure personal data is protected and secure
10. Protect the image of employees and Amica Group as a common good
11. Comply with the policy for receiving and giving gifts and gratuities
12. Respect the natural environment

11.6. Whistleblowing procedure

[GRI 2-26]

From 2019, the Group has a whistleblowing procedure for reporting all irregularities, in particular in the area of human rights, ethics, anti-corruption policy or the environment, which allows employees and external stakeholders to report suspected, observed or experienced non-compliance with the Company's principles set out in the Code of Business Conduct and Management Manual, the Policy of Counteracting Fraud and Irregularities or the Code of Ethics.

Each employee has the option of reporting suspicions and / or confirming fraud anonymously (hotline, report.whistleb.com/pl/amica platform, e-mail address: ethics@amica.com.pl) or using internal communication channels (contact the Compliance Teamr, supervisor or HR).

In the fourth quarter of 2022, a 3-month educational campaign related to the Code of Ethics was conducted in the Group. Its purpose was to prepare all persons employed by Amica for the training and final test on training content and application. The educational campaign was divided into weeks, and one principle from the Code of Ethics was assigned to each week. In addition, every week there was a Discoverer of the Code of Ethics contest with prizes for employees.

11.7. Conflict of interest

[GRI 2-15]

The Amica Group has a policy of counteracting abuses and irregularities. A Team was appointed whose tasks include periodic monitoring of the business environment for emerging potential new events that may pose a risk and be the cause of abuses and irregularities, including conflicts of interest.

The following were appointed to the Team:

- Director of Governance, Risk and Compliance at Amica S.A.
- Security Director at Amica S.A.
- IT Security Manager at InTeco Business Solution sp. z o. o
- Non-Production Purchasing Manager at Amica S.A.
- Sales Support Manager at Amica Handel i Marketing sp. z o.o

11.8. Purchasing Policy

[GRI 414-1]

The Group has a Purchasing Policy in place, which is one of the main corporate documents aimed at maintaining high standards of cooperation and which imposes procedures and criteria for the quality of materials, components and non-production goods. The detailed supplier selection process is described in the Company's operational materials and complies with the ISO 14001 standard. The second important corporate document from the point of view of the supply chain of the Amica Capital Group is the Code of Business Conduct with a declaration of compliance.

Additionally, the Amica Capital Group has a supplier monitoring and evaluation system that covers such issues as the financial standing of the partner, environmental issues (having appropriate and up-to-date environmental certificates) and issues in the area of human and employee rights, including health and safety.

11.9.
Educating employees and suppliers on ethics and human rights

[GRI 205-2, GRI 412-2]

In 2022, the following were carried out:

- Mandatory training and test on all applicable policies in the Amica Group, including the Fraud and Irregularity Prevention Policy. It was attended by 100% of relevant employees.
- Two webinars of all policies were conducted in Polish, English and ended with a mandatory knowledge test for all employees.
- Information campaign on the Code of Ethics, including human rights and related policies.

In 2022, an intranet was created for the entire Amica Group, with pages dedicated to each of the policies, with the most important information provided.

The training was aimed at familiarising employees with the policies so that they could comply with them. Moreover, the managerial and management staff is responsible for monitoring compliance with policies in the teams under their responsibility. In addition, those responsible for cooperation with stakeholders are also required to verify compliance with policies relating to this group. Business partners have access to documents via the Group's website.

In its documents, such as the 2023 HIT Business Strategy and the ESG Strategy, the Amica Group refers to group policies. Thanks to this, all these documents function in the Company in full compliance. In addition, business partners are also informed about the policies in place in the Group, and access to policies is possible via the company's website.

11.10.
Compliance with Laws and Regulations

[GRI 2-27]

In 2022, no non-compliance with laws or regulations was recorded.

11.11.
Principles and scope of application of corporate governance

The Amica Capital Group is subject to the corporate governance rules provided in the document “Best Practices of WSE Listed Companies 2021” (the text is available on the website of the Warsaw Stock Exchange in the section devoted to good practices of companies https://www.gpw.pl/dobre-praktyki2021) to which issuers of shares listed on the WSE Main Market are subject. On 29 March, 2021, the Exchange Supervisory Board – at the request of the Exchange Management Board, adopted the "Best Practices of WSE Listed Companies 2021" and these rules apply to issuers from 1 July, 2021 and supersede the previous version of the Best Practices of 2016.

In accordance with the regulations of the Warsaw Stock Exchange, the scope of application of the principles of “Best Practices of WSE Listed Companies 2021” is published and available on the corporate website of the Amica Capital Group in the Investor Relations section, in the Corporate Governance tab: https://ir.amica.pl/lad-korporacyjny

11.12.
Rules for amending the company's articles of association

Amending the provisions of the Articles of Association of Amica S.A. is the exclusive competence of the General Meeting – the prerogative indicated in § 19 sec. 2 point 3 of the Company's Articles of Association, available on the Company's website, in the part concerning Investor Relations, in the Company tab (https://relacjeinwestorskie.amica.pl/spolka).

The most recent changes to the Articles of Association of “Amica Spółka Akcyjna” were introduced under the Resolutions no. 22/2021 – 30/2021 of the Ordinary General Meeting of the Issuer of 15 June, 2021 [on 15 November, 2021, the Registry Court registered the changes to the Articles of Association of Amica S.A. in the register of the following content: § 14 clause 1 point 4), § 22 (introduction of a new editorial unit numbered in section 9), § 24 section 2 and paragraph 3, § 27 section 2, § 28 section 1, § 28 section 3, § 28 section 5 sentence 1, § 31 (introduction of a new editorial unit numbered in section 3) and § 40 section 4 of the Issuer's Articles of Association].

11.13.
General meeting of shareholders

The General Meeting is the most important body of the Company making key decisions regarding the existence and operations of the Amica Capital Group. The General Meeting of the Amica Capital Group operates pursuant to the provisions of the Commercial Companies Code, the Articles of Association and the Regulations of the General Meeting adopted by Resolution No. 20/2010 of the Extraordinary General Meeting of Shareholders of 16 February, 2010 on the approval of the Regulations of the General Meeting. These legal documents also define the rights of shareholders. Both the Company's Articles of Association and the Regulations of the General Meeting are available on the Company's website, in the Investor Relations section, in the Corporate Governance tab: https://ir.amica.pl/lad-korporacyjny.

11.14.
Risk control and management systems in the process of preparing financial statements

The Management Board of Amica S.A. is responsible for the internal control system in the Company and its effectiveness in the process of preparing financial statements and periodic reports as well as, respectively, consolidated financial statements and consolidated periodic reports prepared and published in accordance with the rules of the Regulation of the Ministry of Finance of 29 March , 2018 on current and periodic information provided by issuers of securities.

The accounting books of Amica S.A. are kept in Polish and in the Polish currency using the ERP computer system provided by SAP. Figures are rounded to the nearest million. The accounting books of the Group's companies are kept in specialised systems in accordance with local regulations.

The financial statements include adjustments not disclosed in the Group's accounting books, presented in order to approximate financial statements of such entities with the IFRS. Other financial statements of the companies are prepared in accordance with IFRS.

The scope of reporting and responsibility for the preparation of financial statements are determined by internal procedures adopted by the Company. The basic element of internal control in the preparation of financial statements and consolidated financial statements is the separation, in accordance with the division of duties and competences, of the functions of records, formal and content-related control and preparation of financial statements between individual job positions.

Assets and liabilities are additionally verified prior to the drawing up of financial statements.

The accounting department and the financial department of the Company are responsible for the drawing up of financial statements and periodic reports as well as appropriately consolidated financial statements and consolidated periodic reports. Then, the financial statements are approved by the Management Board of Amica S.A.

One of the basic elements of external control in the process of preparing financial statements is verification by an independent statutory auditor. The statutory auditor is selected by the Supervisory Board. The statutory auditor carries out preliminary and proper audits of separate and consolidated annual financial statements as well as a review of separate and consolidated semi-annual financial statements.

11.15.
Policy and procedure for selecting a statutory auditor

The selection of the auditing company to verify the financial statements for the years 2022-24 was made by the Supervisory Board of the Company – as an entity authorised under the Company's Articles of Association.

The Supervisory Board of the Company selected PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt spółka komandytowa with its registered office and address in Warsaw, ul. Polna 11 (company entered in the Register of Entrepreneurs kept by the District Court in Warsaw, under number KRS 0000750050), entered in the list of entities authorised to audit financial statements kept by the National Council of Statutory Auditors, under number 144.

The selection of the audit firm was made after the Supervisory Board of the Company got acquainted with the recommendation of the Audit Committee of the Company, prepared in accordance with the provisions of the Act on statutory auditors, audit firms and public supervision, as well as the internal regulations of the Company.

12. OTHER INFORMATION

12.1. Information about the audit firm

The selection of the audit firm conducting the audit of the standalone and consolidated financial statements for 2022 was made in accordance with the applicable regulations, including the provisions on the selection and procedure for selecting the audit firm.

The selection of an independent statutory auditor to audit financial statements is made by the Supervisory Board on the basis of the recommendation of the Audit Committee.

On 28 April, 2022, the Supervisory Board of Amica S.A. selected PricewaterhouseCoopers Polska sp. z o. o. Audyt sp. k. with its registered office in Warsaw as the entity authorised to audit and review the financial statements of Amica S.A. and the Amica Capital Group for the years 2022-2024.

This entity audited the financial statements of the Company and the Amica Capital Group for 2020-2021.

According to the presented statement, the audit firm PwC Audyt sp. z oo sp.k. and members of the team performing the audit met the conditions for the preparation of an impartial and independent report on the audit of the annual financial statements in accordance with applicable regulations, professional standards and professional ethics.

The Company and the Capital Group comply with the applicable regulations regarding the rotation of the audit firm and the key statutory auditor as well as the mandatory grace periods. In accordance with the currently applicable policy and procedure for selecting an audit firm, the maximum, uninterrupted period of employment with the same audit firm may not exceed 5 years. The maximum 5-year duration of the order given by the Company to the current audit firm (PwC Audyt sp. z oo sp.k.) will end with the audit of the report for 2025.

The agreement for the audit and review of financial statements for the years 2022-2024 between the Amica and PwC Audyt sp. z oo sp.k. was signed on 29 July, 2022.

The non-audit services that the auditor responsible for the audit of the Group provided to the Group and its subsidiaries during the audited period include:

1. Provide the service of performing agreed procedures for the verification of the financial ratio on the basis of the annual consolidated financial statements. 2)
2. Provide the services of adapting the Gram A/S report to the XBRL reporting standards for the purposes of statutory reporting in Denmark.
3. Carrying out services consisting in adjusting WEEE (Waste of Electrical and Electronic Equipment) reporting for Gram A/S.

Finances of the Amica S.A. Capital Group

The table below presents the remuneration of the entity authorised to audit the Group's financial statements, paid or due for the year ended 31 December, 2022 and 31 December, 2021, by type of services:

TABLE 26:
Remuneration of the statutory auditor or the entity authorised to audit the financial statements of the Amica S.A. Capital Group

	Year ended 31 December 2022	Year ended 31 December 2021
Mandatory audit of the annual financial statements	1.6	1.5
Reviewing financial statements	0.4	0.2
Other services	0.2	0.2
Total	**2.2**	**1.9**

Finances of Amica S.A

The table below presents the remuneration of the entity authorised to audit financial statements of Amica S.A., paid or due for the year ended 31 December, 2022 and 31 December, 2021, broken down by types of services:

TABLE 27.
Remuneration of the statutory auditor or the entity authorised to audit financial statements of Amica S.A.

	Year ended 31 December 2022	Year ended 31 December 2021
Mandatory audit of the annual financial statements	0.4	0.5
Reviewing financial statements	0.2	–
Total	**0.6**	**0.5**

12.2. Disputes

Finances of the Amica S.A. Capital Group

As at the balance sheet date, there were no significant proceedings concerning liabilities or receivables of the Issuer or its subsidiaries.

13. ABOUT NON-FINANCIAL INFORMATION

13.1. Information on the report

[GRI 2-2, GRI 2-3, GRI 2-4, GRI 2-5, GRI 3-1, GRI 3-2]

Entities covered by ESG reporting

1. Amica S.A.
2. Amica Handel i Marketing Sp. z o. o.
3. Electrodomesticos Iberia S.L.
4. Sideme S.A.
5. The CDA Group Limited
6. Gram A/S
7. Amica International GmbH
8. Hansa Ukraina OOO
9. Amica Commerce s.r.o.
10. Hansa OOO
11. Hansa Central Asia LLP
12. Inteco Business Solutions Sp. z o. o.
13. Marcelin Management Sp. z o. o.
14. Nova Panorama Sp. z o. o.
15. Nowe Centrum Sp. z o. o.

The report covers the period for the financial year 2022.

Contact person:

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Corrections of information

[GRI 2-4]

Data on purchased and collected water in 2021 (GRI 303-3 indicator) were corrected – data for 2021 was underestimated as it did not cover all Group companies. The data published in this report for 2021 and 2022 are correct. Therefore, the water consumption intensity indicators for 2021 have also changed.

Materiality testing and stakeholder identification process

The significance study was conducted in the fourth quarter of 2021 in cooperation with the consulting company MATERIALITY. The study was carried out in accordance with the MAX® – MATERIALITY ASSESSMENT MATRIX methodology in the basic+ version and was adapted to the requirements of the future Corporate Sustainability Reporting Directive (CSRD). During the study, an extensive questionnaire was used for various stakeholder groups of the Amica Capital Group, in accordance with the principle of double significance. This means that the study took into account financial materiality, i.e. the impact and risk of the environment and society on the Group as well as the significance of the impact were analysed, i.e. the impact of the Group on environmental and social issues was analysed.

As a result of the materiality study, a list of significant stakeholders, significant environmental and climate change issues, social issues, including employee issues, corporate governance, and a list of significant non-financial risks were defined.

The two-way strength of the impact was identified for each stakeholder of the Group. Environmental, Social, and Governance issues were examined in terms of five parameters in two perspectives (double significance principles): four impact parameters – the strength of the impact, the scope of the impact, the probability of impact and the possibility of remedying the impact, and one parameter of financial significance, i.e. the impact of the Environmental, Social, and Governance issue on the development, results and business circumstances of the Group Capital Amica.

Table 28:
Key stakeholders of the Amica Capital Group

Stakeholder category	Involvement	Purpose and issues covered
Consumers	• Information and marketing campaigns • Survey • Social media, corporate and commercial website of the Amica Group and individual brands	• Quality and price of Amica products
Suppliers and subcontractors	• Regular contact throughout the year as part of cooperation • Enforcing contract provisions	• Price and quality of raw materials and components
Employees	• Internal communication system, which includes 9 different communication channels (internal meetings, quarterly magazine, mailing, chat, posters, etc.) as well as meetings that engage and expand the knowledge about the company. • Participation in the Environmental, Social, and Governance significance study	• The strategy and results of the Company • Goals of individual departments • Training and professional development • Working conditions, benefits
Business partners	• Ongoing contact as part of commercial cooperation throughout the year • Participation in the Environmental, Social, and Governance significance study	• Discussion of the results of cooperation • Goals and expectations of the parties during further cooperation
State administration	• Cooperation with the APPLIA industry organisation associating manufacturers of household appliances in Poland and Europe • Ongoing interaction and cooperation on social and corporate projects	• Monitoring changes in Polish and EU regulations
Trade Unions	• Ongoing cooperation and contact throughout the year	• Discussing current affairs
Investors	• Ongoing, year-round contact with persons responsible for investor relations • Current and periodic reports • Participation in the Environmental, Social, and Governance significance study	• Company results • Strategy of the Amica Group
Financial institutions, including banks and insurance companies	• Ongoing, year-round interaction within the framework of cooperation • Current and periodic reports • Participation in the Environmental, Social, and Governance significance study	• Company results • Strategy of the Amica Group
Local communities	• Cooperation and ongoing interaction throughout the year and during the implementation of social programmes	• Discuss the results of cooperation, ongoing programmes and social campaigns

Additionally, a study of the significance of Environmental, Social, and Governance issues from the perspective of the Company's external stakeholders (financial institutions, representatives of Amica S.A. shareholders, local communities, local authorities, business partners, public benefit organisations, industry organisations and external ESG experts) was carried out, and with those external stakeholder in-depth and structured interviews were conducted.

The results of the materiality test were presented to the representatives of the Management Board and senior management of the Amica Capital Group during a validation workshop.

Relevant reporting areas

As a result of the study, key reporting areas were identified. In order to organise all the relevant ESG areas, they have been divided into 3 prioritisation groups – highest prioritisation, medium and standard. Significant Environmental, Social, and Governance issues have been organised as follows, and important reporting areas were those from the group with the highest and medium prioritisation.

List of significant reporting issues:

In the area of climate and the environment:

- Climate change, including circular economy, commodities and raw materials
- Water and sewage

In the social and employee area:

- Human rights and labour rights
- Employee development and education
- Diversity management
- Local communities

In terms of corporate and management governance:

- Sustainable development management
- Ethics
- Product quality and safety
- IT and digitisation
- Relations with suppliers and subcontractors

13.2. Tables of compliance

TABLE 29:
Compliance with the requirements of the Accounting Act regarding the disclosure of non-financial information

Requirement of the Accounting Act	Has the requirement been met?	Page number
Business model (Article 49b section 2 point 1)	tak	11, 17
Key non-financial performance indicators (Article 49b, section 2, point 2)	tak	22
Policies in non-financial areas and their results:	tak	21
Environmental Policy	tak	21, 29, 32, 33, 36-49
Social Policy	tak	21, 50-59
Human Rights Policy	tak	21, 50
Anti-corruption Policy	tak	21
Employee Policy	tak	21
Due diligence procedures (Article 49b section 2 point 4)	tak	66, 67, 70-72
Significant non-financial risks and the method of managing those risks (Article 49b, section 2, point 5)	tak	24, 25, 30, 31, 34, 35

TABLE 30:
Report compliance with the TCFD Recommendations

Recommendations of the Task Force on Climate-Related Financial Disclosures	Chapter and page number	Page number
Corporate governance and management system:		
a. Description of how the Management Board and the Supervisory Board oversee climate-related risks and opportunities		p. 66-67
b. Description of the role of the Management Board and the Supervisory Board in identifying, assessing and managing climate-related risks and opportunities		p. 66-67
Strategy:		
a. A description of the risks and opportunities related to climate change that the organisation has identified in the short, medium and long term		p. 29-35
b. Description of the impact of climate change-related risks and opportunities on the organisation's business, strategy and finances	This data is not presented in this report	
c. A description of the resilience of the organisation's strategy to climate change under different scenarios, including a scenario where average temperatures are increased by 2 degrees Celsius or less		p. 34-35
Risk management		
a. Description of the processes for identifying and assessing the risks associated with climate terms		Page 30
b. Description of climate change risk management processes		Page 31
c. Description of how the processes of identifying, assessing and managing climate change-related risks are integrated into the overall risk management processes of the organisation		Page 24
Indicators and targets:		
a. A description of the indicators used by the organisation to assess the risks and opportunities associated with climate change in line with the risk management strategy and processes		p. 29-30
b. Disclosure of Scopes 1,2 and, if relevant, 3 greenhouse gas emissions and corresponding risks		Page 32
c. Description of strategic goals and progress related to managing the risks and opportunities related to climate change	This data is not presented in this report	

GRI Standards 2021 content index

List of indicators presented in the report

Statement of use	Amica Capital Group reported in accordance with GRI Standards (In reference) for the period from 1 January, 2022 to 31 December, 2022.
GRI 1 used	GRI 1: Foundation 2021
GRI Standard sector indicators (s)	Not applicable

With reference to GRI Standards 2021	KPI	Page
GRI 2: Core Indicators		
	GRI 2-1 Organisation data	Page 11
	GRI 2-2 Entities covered by ESG reporting in the organisation	Page 15
	GRI 2-3 Reporting cycle and contact	Page 75
	GRI 2-4 Corrections of information	Page 75
	GRI 2-5 External review	No external verification
	GRI 2-6 Types of operations, value chain and other business relationships	Page 17
	GRI 2-7 Employees	p. 11, 51, 52
	GRI 2-8 Persons providing work who are not employees	Page 51
	GRI 2-9 Governance structure	Page 18, 19
	GRI 2-10 Nomination and selection of the highest governance body	Page 66-68
	GRI 2-11 Chairperson of the highest governance body	Page 68
	GRI 2-12 Role of the highest governance body in overseeing impact management	Page 67
	GRI 2-13 Delegating responsibility for impact management	p. 66-67
	GRI 2-14 Role of the highest governance body in sustainability reporting	Page 66-67
	GRI 2-15 Conflict of interest	p. 71 (partially reported)
	GRI 2-16 Communication of critical issues	p. 24, 70

With reference to GRI Standards 2021	KPI	Page
	GRI 2-17 Collective knowledge of the highest governance body	p. 36, 67
	GRI 2-18 Evaluation of the performance of the highest governance body	p. 69 (partially reported)
	GRI 2-19 Remuneration policy	Page 69
	GRI 2-20 The remuneration determination process	Page 69
	GRI 2-21 Annual total remuneration ratio	Not reported
	GRI 2-22 ESG Strategy Statement	Page 21
	GRI 2-23 Policy Commitments	Page 21
	GRI 2-24 Embedding policy commitments	p. 18, 29, 50, 54, 55 and 67
	GRI 2-25 Negative impact mitigation process	p. 70-72
	GRI 2-26 Mechanisms for seeking advice and raising concerns	Page 71
	GRI 2-27 Compliance with laws and regulations	Page 72
	GRI 2-28 Membership in organisations	Page 14
	GRI 2-29 Approach to stakeholder engagement	Page 76
	GRI 2-30 Collective bargaining	Page 52
GRI 3: Relevant Topics 2021		
	GRI 3-1 Process for determining material issues	p. 76-77
	GRI 3-2 List of material issues	Page 77

With reference to GRI Standards 2021	KPI	Page
An important reporting issue: Climate change, including greenhouse gas (GHG) emissions		
GRI 3-3	GRI 3-3 Managing a significant issue	Page 29
GRI 302. Energy 2016	GRI 302-1 Energy consumption within the organisation	Page 33
GRI 305. Emissions to the atmosphere 2016	GRI 305-1 Direct greenhouse gas emissions (Scope 1)	Page 32
	GRI 305-2 Indirect greenhouse gas emissions (Scope 2)	Page 32
	GRI 305-3 Indirect greenhouse gas emissions (Scope 3)	Page 32
An important reporting issue: Circular economy, including raw materials, components, waste and water		
	GRI 3-3 Managing a significant issue	p. 36, 38-39
GRI 301. Materials 2016	GRI 301-1 Raw materials used by weight or volume	p. 36 (partially reported)
GRI 306. Waste 2020	GRI 306-1 Description of waste generation and their significant impact	p. 37 (partially reported)
	GRI 306-4 Waste sent for recycling	Page 37
GRI 303: Water and sewage 2018	GRI 303-2 Management of wastewater issues	Page 40
	GRI 303-3 Total water withdrawal	Page 40
An important reporting issue: Workplace, employee development and education, and diversity management		
	GRI 3-3 Managing a significant issue	Page 50
GRI 403: Safety at the workplace	GRI 403-1 OHS management system	Page 54
	GRI 403-2 Workplace accidents	Page 54
GRI 404: Training and education 2016	GRI 404-1 Average number of training hours per employee	Page 53
	GRI 404-2 Programmes supporting the development and improvement of employee skills	Page 53
GRI 405: Diversity and Equal Opportunities 2016	GRI 405-1 Diversity in management bodies and among other employees	p. 51-52
	GRI 405-2 Ratio of basic remuneration for women and men (Gender Pay Gap – GPG)	Page 51
Proprietary indicator	Glass Ceiling Ratio	Page 51

With reference to GRI Standards 2021	KPI	Page
An important reporting issue: Sustainable development management, ethics, human rights (including labour rights) and relations with suppliers and subcontractors		
	GRI 3-3 Managing a significant issue	p. 18, 71
GRI 412: Control of the Human Rights Area 2016	GRI 412-2 Number of employees trained in human rights	Page 72
GRI 414: Social area control in the supply chain 2016	GRI 414-1 New suppliers checked using the social area criteria	Page 71
GRI 205. Anticorruption 2016	GRI 205-2 Communication and training on anti-corruption procedures and policies	Page 71-72
An important reporting issue: Product quality and safety and customer service		
GRI 3-3	GRI 3-3 Managing a significant issue	Page 50, 55
GRI 416-2	Incidents of non-compliance with regulations and voluntary codes regarding the health and safety impact of products and services	Page 14
Proprietary indicator	Customer Satisfaction Score – CSAT	Page 14
Significant reporting areas: IT and digitisation		
GRI 3-3	GRI 3-3 Managing a significant issue	Page 20
GRI 418: Legitimate complaints about breach of customer privacy and loss of customer data	GRI 418-1 Customer Privacy Protection 2016	
	Page 20	
Proprietary indicator	Information on the goals and stages of the Amica 4.0 project implementation	Page 20
An important reporting issue: Local communities		
	GRI 3-3 Managing a significant issue	Page 55
GRI 413: Local Communities 2016	GRI 413-1 Involvement in the development of the local community – programmes, results	p. 55-59 (partially reported)

13.3. Appendices

TABLE 31:
Employees employed under indefinite term agreements (converted into full-time jobs) in the Amica Group in 2022 by gender, age and structure level

Amica Group	2021			2022			Change y/y %
	women	men	total	women	men	men	
Senior staff, including:	**19**	**58**	**77**	**9**	**53**	**62**	**−19.48%**
aged 51 and over	2	14	16	0	17	17	6.25%
aged 31-50	16	44	60	8	36	44	−26.67%
up to 30 years old	1	0	1	1	0	1	0.00%
Mid-level staff, including:	**85**	**115**	**200**	**104**	**144**	**248**	**23.90%**
aged 51 and over	6	25	31	13	40	53	70.32%
aged 31-50	73	86	159	87	102	189	18.87%
up to 30 years old	6	4	10	4	2	6	−40.00%
Other employees, including:	**1092**	**1153**	**2244**	**1193**	**1116**	**2309**	**2.88%**
aged 51 and over	274	339	613	389	370	759	23.87%
aged 31-50	646	624	1270	635	552	1187	−6.55%
up to 30 years old	172	190	362	169	194	363	0.41%
Total for all levels of the structure	**1196**	**1326**	**2521**	**1306**	**1313**	**2619**	**3.87%**
aged 51 and over	282	378	660	402	427	829	25.63%
aged 31-50	735	754	1489	730	690	1420	−4.64%
up to 30 years old	179	194	373	174	196	370	−0.67%
TOTAL	**1196**	**1326**	**2521**	**1306**	**1313**	**2579**	**2.28%**

TABLE 32:
Employees employed under indefinite term agreements (full-time equivalents) in Amica S.A. in 2022 by gender, age and structure level

Amica S.A.	2021			2022			Change y/y %
	women	men	total	women	men	men	
Senior staff, including:	**3**	**15**	**18**	**3**	**15**	**18**	**0.00%**
aged 51 and over	0	5	5	0	5	5	0.00%
aged 31-50	2	10	12	2	10	12	0.00%
up to 30 years old	1	0	1	1	0	1	0.00%
Mid-level staff, including:	**31**	**44**	**75**	**44**	**53**	**97**	**29.33%**
aged 51 and over	3	11	14	4	13	17	21.43%
aged 31-50	27	31	58	40	39	79	36.21%
up to 30 years old	1	2	3	0	1	1	−66.67%
Other employees, including:	**885**	**965**	**1850**	**931**	**871**	**1802**	**−2.59%**
aged 51 and over	225	307	532	319	308	627	17.86%
aged 31-50	535	498	1033	501	423	924	−10.55%
up to 30 years old	125	160	285	111	140	251	−11.93%
Total for all levels of the structure	**919**	**1024**	**1943**	**978**	**939**	**1917**	**−1.34%**
aged 51 and over	228	323	551	323	326	649	17.79%
aged 31-50	564	539	1103	543	472	1015	−7.98%
up to 30 years old	127	162	289	112	141	253	−12.46%
TOTAL	**919**	**1024**	**1943**	**978**	**939**	**1917**	**−1.34%**

TABLE 33:
Employees employed under definite term agreements (full-time equivalent) in the Group in 2022 by gender, age and structure level

Amica Group	2021			2022			Change y/y %
	women	men	total	women	men	men	
Senior staff, including:	**8**	**11**	**19**	**1**	**2**	**3**	**–84.21%**
aged 51 and over	1	4	5	0	1	1	–80.00%
aged 31-50	7	7	14	1	1	2	–85.71%
up to 30 years old	0	0	0	0	0	0	–
Mid-level staff, including:	**11**	**16**	**27**	**6**	**5**	**11**	**–59.26%**
aged 51 and over	1	4	5	0	1	1	–80.00%
aged 31-50	10	11	21	6	4	10	–52.38%
up to 30 years old	0	1	1	0	0	0	–100.00%
Other employees, including:	**284**	**486**	**770**	**241**	**201**	**442**	**–42.57%**
aged 51 and over	37	51	88	32	24	56	–35.91%
aged 31-50	127	184	311	103	80	183	–41.22%
up to 30 years old	120	251	371	106	97	203	–45.28%
Total for all levels of the structure	**303**	**513**	**816**	**248**	**208**	**456**	**–44.09%**
aged 51 and over	39	59	98	32	26	58	–40.41%
aged 31-50	144	202	346	110	85	195	–43.70%
up to 30 years old	120	252	372	106	97	203	–45.43%
TOTAL	**303**	**513**	**816**	**248**	**208**	**456**	**–44.09%**

TABLE 34:
Employees employed under definite term agreements (full-time equivalents) in Amica S.A. in 2022 by gender, age and structure level

Amica S.A.	2021			2022			Change y/y %
	women	men	total	women	men	men	
Senior staff, including:	**0**	**0**	**0**	**1**	**2**	**3**	**–**
aged 51 and over	0	0	0	0	1	1	–
aged 31-50	0	0	0	1	1	2	–
up to 30 years old	0	0	0	0	0	0	–
Mid-level staff, including:	**2**	**4**	**6**	**4**	**4**	**8**	**33.33%**
aged 51 and over	0	0	0	0	1	1	–
aged 31-50	2	3	5	4	3	7	40.00%
up to 30 years old	0	1	1	0	0	0	–100.00%
Other employees, including:	**217**	**440**	**657**	**212**	**182**	**394**	**–40.03%**
aged 51 and over	18	36	54	30	23	53	–1.85%
aged 31-50	95	165	260	93	73	166	–36.15%
up to 30 years old	104	239	343	89	86	175	–48.98%
Total for all levels of the structure	**219**	**444**	**663**	**217**	**188**	**405**	**–38.91%**
aged 51 and over	18	36	54	30	25	55	1.85%
aged 31-50	97	168	265	98	77	175	–33.96%
up to 30 years old	104	240	344	89	86	175	–49.13%
TOTAL	**219**	**444**	**663**	**217**	**188**	**405**	**–38.91%**

TABLE 35:
Employees employed under definite term and indefinite term agreements (full-time equivalents) in Amica S.A. in 2022 by gender, age and structure levels

Amica S.A.	2021			2022			Change y/y %
	women	men	total	women	men	men	
Senior staff, including:	**3**	**15**	**18**	**4**	**17**	**21**	**16.67%**
aged 51 and over	0	5	5	0	6	6	20.00%
aged 31-50	2	10	12	3	11	14	16.67%
up to 30 years old	1	0	1	1	0	1	0.00%
Mid-level staff, including:	**33**	**48**	**81**	**48**	**57**	**105**	**29.63%**
aged 51 and over	3	11	14	4	14	18	28.57%
aged 31-50	29	34	63	44	42	86	36.51%
up to 30 years old	1	3	4	0	1	1	−75.00%
Other employees, including:	**1102**	**1405**	**2507**	**1143**	**1053**	**2196**	**−12.41%**
aged 51 and over	243	343	586	349	331	680	16.04%
aged 31-50	630	663	1293	594	496	1090	−15.70%
up to 30 years old	229	399	628	200	226	426	−32.17%
Total for all levels of the structure	**1138**	**1468**	**2606**	**1195**	**1127**	**2322**	**−10.90%**
aged 51 and over	246	359	605	353	351	704	16.36%
aged 31-50	661	707	1368	641	549	1190	−13.01%
up to 30 years old	231	402	633	201	227	428	−32.39%
TOTAL	**1138**	**1468**	**2606**	**1195**	**1127**	**2322**	**−10.90%**

TABLE 36:
Other data on the number of people providing work for the Group in 2022 by gender

[GRI 2-8]

Amica Group	2021			2022			Change y/y %
	women	men	total	women	men	men	
Number of people cooperating on the basis of civil law contracts (contracts for specific work)	313	301	614	659	404	1.063	73.13%
Number of people cooperating on the basis of a cooperation agreement (B2B)	4	17	21	8	26	34	61.90%
Number of people cooperating on the basis of appointment agreements	65	46	111	2	2	4	−96.40%
Number of people cooperating in the form of outsourcing	193	382	575	2	3	5	−99.13%

TABLE 37:
Other information on persons working for Amica S.A. in 2022 (number of employees) by gender

Amica S.A.	2021			2022			Change y/y %
	women	men	total	women	men	men	
Number of people cooperating on the basis of civil law contracts (contracts for specific work)	7	9	16	4	11	15	−6.25%
Number of people cooperating on the basis of a cooperation agreement (B2B)	0	1	1	0	1	1	0.00%
Number of people cooperating on the basis of appointment agreements	0	0	0	0	1	1	–
Number of people cooperating in the form of outsourcing	172	302	474	0	0	0	−100.00%

Table 38:

Number of newly hired employees in the Group in 2022 for an indefinite term by gender:

Amica Group	2021			2022			Change y/y %
	women	men	total	women	men	men	
Senior staff, including:	**3**	**1**	**4**	**0**	**4**	**4**	**0.00%**
aged 51 and over	0	0	0	0	1	1	–
aged 31-50	3	1	4	0	3	3	−25.00%
up to 30 years old	0	0	0	0	0	0	–
Mid-level staff, including:	**9**	**3**	**12**	**0**	**0**	**16**	**33.33%**
aged 51 and over	1	1	2	0	3	3	50.00%
aged 31-50	7	2	9	4	8	12	33.33%
up to 30 years old	1	0	1	1	0	1	0.00%
Other employees, including:	**28**	**12**	**40**	**0**	**0**	**75**	**87.50%**
aged 51 and over	9	1	10	7	13	20	100.00%
aged 31-50	10	7	17	17	34	51	200.00%
up to 30 years old	9	4	13	10	11	21	61.54%
Total for all levels of the structure	**40**	**16**	**56**	**39**	**73**	**112**	**100.00%**
aged 51 and over	10	2	12	7	17	24	100.00%
aged 31-50	20	10	30	21	45	66	120.00%
up to 30 years old	10	4	14	11	11	22	57.14%
TOTAL	**40**	**16**	**56**	**32**	**63**	**95**	**69.64%**

Table 39:

Number of newly hired employees in Amica S.A. in 2022 for an indefinite term by gender

Amica S.A.	2021			2022			Change y/y %
	women	men	total	women	men	men	
Senior staff, including:	**0**	**0**	**0**	**0**	**1**	**1**	**–**
aged 51 and over	0	0	0	0	1	1	–
aged 31-50	0	0	0	0	0	0	–
up to 30 years old	0	0	0	0	0	0	–
Mid-level staff, including:	**2**	**0**	**2**	**0**	**0**	**0**	**−100.00%**
aged 51 and over	0	0	0	0	0	0	–
aged 31-50	1	0	1	0	0	0	−100.00%
up to 30 years old	1	0	1	0	0	0	−100.00%
Other employees, including:	**8**	**3**	**11**	**0**	**0**	**0**	**−100.00%**
aged 51 and over	5	1	6	2	6	8	33.33%
aged 31-50	2	1	3	4	3	7	133.33%
up to 30 years old	1	1	2	1	1	2	0.00%
Total for all levels of the structure	**10**	**3**	**13**	**7**	**11**	**18**	**38.46%**
aged 51 and over	5	1	6	2	7	9	50.00%
aged 31-50	3	1	4	4	3	7	75.00%
up to 30 years old	2	1	3	1	1	2	−33.33%
TOTAL	**10**	**3**	**13**	**0**	**1**	**1**	**−92.31%**

TABLE 40:
Number of newly hired employees in the Group in 2022 for a definite term by gender:

Amica Group	2021			2022			Change y/y %
	women	men	total	women	men	men	
Senior staff, including:	**2**	**1**	**3**	**1**	**0**	**1**	**−66.67%**
aged 51 and over	0	0	0	0	0	0	–
aged 31-50	2	1	3	1	0	1	−66.67%
up to 30 years old	0	0	0	0	0	0	–
Mid-level staff, including:	**2**	**4**	**6**	**4**	**1**	**5**	**−16.67%**
aged 51 and over	0	1	1	0	0	0	−100.00%
aged 31-50	2	2	4	4	1	5	25.00%
up to 30 years old	0	1	1	0	0	0	−100.00%
Other employees, including:	**118**	**109**	**227**	**167**	**186**	**353**	**55.51%**
aged 51 and over	2	7	9	32	24	56	522.22%
aged 31-50	52	44	96	85	71	156	62.50%
up to 30 years old	64	58	122	50	91	141	15.57%
Total for all levels of the structure	**122**	**114**	**236**	**172**	**187**	**359**	**52.12%**
aged 51 and over	2	8	10	32	24	56	460.00%
aged 31-50	56	47	103	90	72	162	57.28%
up to 30 years old	64	59	123	50	91	141	14.63%
TOTAL	**122**	**114**	**236**	**172**	**187**	**359**	**52.12%**

TABLE 41:
Number of newly hired employees in Amica S.A. in 2022 for a definite term by gender

Amica S.A.	2021			2022			Change y/y %
	women	men	total	women	men	men	
Senior staff, including:	**0**	**0**	**0**	**0**	**0**	**0**	**–**
aged 51 and over	0	0	0	0	0	0	–
aged 31-50	0	0	0	0	0	0	–
up to 30 years old	0	0	0	0	0	0	–
Mid-level staff, including:	**1**	**2**	**3**	**2**	**0**	**2**	**−33.33%**
aged 51 and over	0	0	0	0	0	0	–
aged 31-50	1	1	2	2	0	2	0.00%
up to 30 years old	0	1	1	0	0	0	−100.00%
Other employees, including:	**108**	**94**	**202**	**135**	**156**	**291**	**44.06%**
aged 51 and over	0	6	6	28	21	49	716.67%
aged 31-50	50	37	87	74	64	138	58.62%
up to 30 years old	58	51	109	33	71	104	−4.59%
Total for all levels of the structure	**109**	**96**	**205**	**137**	**156**	**293**	**42.93%**
aged 51 and over	0	6	6	28	21	49	716.67%
aged 31-50	51	38	89	76	64	140	57.30%
up to 30 years old	58	52	110	33	71	104	−5.45%
TOTAL	**109**	**96**	**205**	**137**	**156**	**293**	**42.93%**

TABLE 42:
Number of newly hired employees in the Amica Group in 2022 for a definite and indefinite term by gender

Amica Group	2021			2022			Change y/y %
	women	men	total	women	men	men	
Senior staff, including:	**5**	**2**	**7**	**1**	**4**	**5**	**−28.57%**
aged 51 and over	0	0	0	0	1	1	–
aged 31-50	5	2	7	1	3	4	−42.86%
up to 30 years old	0	0	0	0	0	0	–
Mid-level staff, including:	**11**	**7**	**18**	**9**	**12**	**21**	**16.67%**
aged 51 and over	1	2	3	0	3	3	0.00%
aged 31-50	9	4	13	8	9	17	30.77%
up to 30 years old	1	1	2	1	0	1	−50.00%
Other employees, including:	**146**	**121**	**267**	**194**	**234**	**428**	**60.30%**
aged 51 and over	11	8	19	39	37	76	300.00%
aged 31-50	62	51	113	102	105	207	83.19%
up to 30 years old	73	62	135	60	102	162	20.00%
Total for all levels of the structure	**162**	**130**	**292**	**211**	**260**	**471**	**61.30%**
aged 51 and over	12	10	22	39	41	80	263.64%
aged 31-50	76	57	133	111	117	228	71.43%
up to 30 years old	74	63	137	61	102	163	18.98%
TOTAL	**162**	**130**	**292**	**204**	**250**	**454**	**55.48%**

TABLE 43:
Number of newly hired employees in Amica S.A. in 2022 for a definite and indefinite term by gender

Amica S.A.	2021			2022			Change y/y %
	women	men	total	women	men	men	
Senior staff, including:	**0**	**0**	**0**	**0**	**1**	**1**	**–**
aged 51 and over	0	0	0	0	1	1	–
aged 31-50	0	0	0	0	0	0	–
up to 30 years old	0	0	0	0	0	0	–
Mid-level staff, including:	**3**	**2**	**5**	**2**	**0**	**2**	**−60.00%**
aged 51 and over	0	0	0	0	0	0	–
aged 31-50	2	1	3	2	0	2	−33.33%
up to 30 years old	1	1	2	0	0	0	−100.00%
Other employees, including:	**116**	**97**	**213**	**135**	**156**	**291**	**36.62%**
aged 51 and over	5	7	12	30	27	57	375.00%
aged 31-50	52	38	90	78	67	145	61.11%
up to 30 years old	59	52	111	34	72	106	−4.50%
Total for all levels of the structure	**119**	**99**	**218**	**144**	**167**	**311**	**42.66%**
aged 51 and over	5	7	12	30	28	58	383.33%
aged 31-50	54	39	93	80	67	147	58.06%
up to 30 years old	60	53	113	34	72	106	−6.19%
TOTAL	**119**	**99**	**218**	**137**	**157**	**294**	**34.86%**

TABLE 44:
Number of Amica Group employees employed for an indefinite term who left their jobs in 2022 by gender and age group

Amica Group	2021			2022			Change y/y %
	women	men	total	women	men	men	
Senior staff, including:	**2**	**6**	**8**	**2**	**8**	**10**	**25.00%**
aged 51 and over	1	0	1	0	5	5	400.00%
aged 31-50	1	6	7	2	3	5	-28.57%
up to 30 years old	0	0	0	0	0	0	–
Mid-level staff, including:	**11**	**5**	**16**	**11**	**18**	**29**	**81.25%**
aged 51 and over	0	0	0	0	6	6	–
aged 31-50	11	5	16	10	12	22	37.50%
up to 30 years old	0	0	0	1	0	1	–
Other employees, including:	**66**	**89**	**155**	**227**	**259**	**486**	**213.55%**
aged 51 and over	21	27	48	64	64	128	166.67%
aged 31-50	31	39	70	104	96	200	185.71%
up to 30 years old	14	23	37	59	99	158	327.03%
Total for all levels of the structure	**79**	**100**	**179**	**240**	**285**	**525**	**193.30%**
aged 51 and over	22	27	49	64	75	139	183.67%
aged 31-50	43	50	93	116	111	227	144.09%
up to 30 years old	14	23	37	60	99	159	329.73%
TOTAL	**79**	**100**	**179**	**240**	**285**	**525**	**193.30%**

TABLE 45:
Number of Amica S.A. employees employed for an indefinite term who left their jobs in 2022 by gender and age group

Amica S.A.	2021			2022			Change y/y %
	women	men	total	women	men	men	
Senior staff, including:	**0**	**1**	**1**	**0**	**5**	**5**	**400.00%**
aged 51 and over	0	0	0	0	3	3	–
aged 31-50	0	1	1	0	2	2	100.00%
up to 30 years old	0	0	0	0	0	0	–
Mid-level staff, including:	**4**	**0**	**4**	**2**	**2**	**4**	**0.00%**
aged 51 and over	0	0	0	0	1	1	–
aged 31-50	4	0	4	2	1	3	-25.00%
up to 30 years old	0	0	0	0	0	0	–
Other employees, including:	**50**	**74**	**124**	**188**	**214**	**402**	**224.19%**
aged 51 and over	19	26	45	60	51	111	146.67%
aged 31-50	22	28	50	84	71	155	210.00%
up to 30 years old	9	20	29	44	92	136	368.97%
Total for all levels of the structure	**54**	**75**	**129**	**190**	**221**	**411**	**218.60%**
aged 51 and over	19	26	45	60	55	115	155.56%
aged 31-50	26	29	55	86	74	160	190.91%
up to 30 years old	9	20	29	44	92	136	368.97%
TOTAL	**54**	**75**	**129**	**190**	**221**	**411**	**218.60%**

TABLE 46:

Number of Amica Group employees employed for a definite term who left their jobs in 2022 by gender and age group

Amica Group	2021			2022			Change y/y %
	women	men	total	women	men	men	
Senior staff, including:	**0**	**0**	**0**	**0**	**2**	**2**	**–**
aged 51 and over	0	0	0	0	1	1	–
aged 31-50	0	0	0	0	1	1	–
up to 30 years old	0	0	0	0	0	0	–
Mid-level staff, including:	**1**	**0**	**1**	**1**	**1**	**2**	**100.00%**
aged 51 and over	0	0	0	0	0	0	–
aged 31-50	1	0	1	1	1	2	100.00%
up to 30 years old	0	0	0	0	0	0	–
Other employees, including:	**49**	**52**	**101**	**26**	**27**	**53**	**−47.52%**
aged 51 and over	1	0	1	2	4	6	500.00%
aged 31-50	20	16	36	1	5	6	−83.33%
up to 30 years old	28	36	64	23	18	41	−35.94%
Total for all levels of the structure	**50**	**52**	**102**	**27**	**30**	**57**	**−44.12%**
aged 51 and over	1	0	1	2	5	7	600.00%
aged 31-50	21	16	37	2	7	9	−75.68%
up to 30 years old	28	36	64	23	18	41	−35.94%
TOTAL	**50**	**52**	**102**	**27**	**30**	**57**	**−44.12%**

TABLE 47:

Number of Amica S.A. employees employed for a definite term who left their jobs in 2022 by gender and age group

Amica S.A.	2021			2022			Change y/y %
	women	men	total	women	men	men	
Senior staff, including:	**0**	**0**	**0**	**0**	**1**	**1**	**–**
aged 51 and over	0	0	0	0	1	1	–
aged 31-50	0	0	0	0	0	0	–
up to 30 years old	0	0	0	0	0	0	–
Mid-level staff, including:	**1**	**0**	**1**	**0**	**0**	**0**	**−100.00%**
aged 51 and over	0	0	0	0	0	0	–
aged 31-50	1	0	1	0	0	0	−100.00%
up to 30 years old	0	0	0	0	0	0	–
Other employees, including:	**43**	**52**	**95**	**2**	**2**	**4**	**−95.79%**
aged 51 and over	1	0	1	1	1	2	100.00%
aged 31-50	17	16	33	0	0	0	−100.00%
up to 30 years old	25	36	61	1	1	2	−96.72%
Total for all levels of the structure	**44**	**52**	**96**	**2**	**3**	**5**	**−94.79%**
aged 51 and over	1	0	1	1	2	3	200.00%
aged 31-50	18	16	34	0	0	0	−100.00%
up to 30 years old	25	36	61	1	1	2	−96.72%
TOTAL	**44**	**52**	**96**	**2**	**3**	**5**	**−94.79%**

TABLE 48:
Number of Amica Group employees employed for a definite and indefinite term who left their jobs in 2022 by gender and age group:

Amica Group	2021			2022			Change y/y %
	women	men	total	women	men	men	
Senior staff, including:	**2**	**6**	**8**	**2**	**10**	**12**	**50.00%**
aged 51 and over	1	0	1	0	6	6	500.00%
aged 31-50	1	6	7	2	4	6	−14.29%
up to 30 years old	0	0	0	0	0	0	–
Mid-level staff, including:	**12**	**5**	**17**	**12**	**19**	**31**	**82.35%**
aged 51 and over	0	0	0	0	6	6	–
aged 31-50	12	5	17	11	13	24	41.18%
up to 30 years old	0	0	0	1	0	1	–
Other employees, including:	**115**	**141**	**256**	**253**	**286**	**539**	**110.55%**
aged 51 and over	22	27	49	66	68	134	173.47%
aged 31-50	51	55	106	105	101	206	94.34%
up to 30 years old	42	59	101	82	117	199	97.03%
Total for all levels of the structure	**129**	**152**	**281**	**267**	**315**	**582**	**107.12%**
aged 51 and over	23	27	50	66	80	146	192.00%
aged 31-50	64	66	130	118	118	236	81.54%
up to 30 years old	42	59	101	83	117	200	98.02%
TOTAL	**129**	**152**	**281**	**267**	**315**	**582**	**107.12%**

TABLE 49:
Number of Amica S.A. employees employed for a definite and an indefinite term who left their jobs in 2022 by gender and age group

Amica S.A.	2021			2022			Change y/y %
	women	men	total	women	men	men	
Senior staff, including:	**0**	**1**	**1**	**0**	**6**	**6**	**500.00%**
aged 51 and over	0	0	0	0	4	4	–
aged 31-50	0	1	1	0	2	2	100.00%
up to 30 years old	0	0	0	0	0	0	–
Mid-level staff, including:	**5**	**0**	**5**	**2**	**2**	**4**	**−20.00%**
aged 51 and over	0	0	0	0	1	1	–
aged 31-50	5	0	5	2	1	3	−40.00%
up to 30 years old	0	0	0	0	0	0	–
Other employees, including:	**93**	**126**	**219**	**190**	**216**	**406**	**85.39%**
aged 51 and over	20	26	46	61	52	113	145.65%
aged 31-50	39	44	83	84	71	155	86.75%
up to 30 years old	34	56	90	45	93	138	53.33%
Total for all levels of the structure	**98**	**127**	**225**	**192**	**224**	**416**	**84.89%**
aged 51 and over	20	26	46	61	57	118	156.52%
aged 31-50	44	45	89	86	74	160	79.78%
up to 30 years old	34	56	90	45	93	138	53.33%
TOTAL	**98**	**127**	**225**	**192**	**224**	**416**	**84.89%**

TABLE 50:
Diversity in the Amica Group by type of employment in 2022

Amica Group	women	men	total
Employees employed for an indefinite term	**1.258**	**1.354**	**2.612**
• including full-time employees	1.200	1341	2541
• including part-time employees	58	13	71
Employees employed for a definite term	**259**	**206**	**465**
• including full-time employees	244	197	441
• including part-time employees	15	9	24
Total employees	**1517**	**1560**	**3077**
• including full-time employees	1444	1538	2982
• including part-time employees	73	22	95

TABLE 51:
Number of employees on parental, maternity and childcare leaves in the Amica Group

Amica Group	2021			2022			Change y/y %
	women	men	total	women	men	men	
Percentage of employees who in a given year terminated employment after less than 12 months of parental, maternity or child care leave	no data	no data	no data	25.97%	0.00%	25.32%	–
Number of employees who completed parental, maternity or childcare leave in a given year	112	2	114	92	5	97	−14.91%
Number of employees who started parental, maternity or childcare leave in a given year	77	2	79	98	4	102	29.11%

TABLE 52:
Number of employees on parental, maternity and childcare leaves in the Amica S.A.

Amica S.A.	2021			2022			Change y/y %
	women	men	total	women	men	men	
Percentage of employees who in a given year terminated employment after less than 12 months of parental, maternity or child care leave	no data	no data	no data	22.54%	0.00%	22.22%	–
Number of employees who completed parental, maternity or childcare leave in a given year	97	1	98	78	2	80	−18.37%
Number of employees who started parental, maternity or childcare leave in a given year	71	1	72	80	1	81	12.50%

TABLE 53:
The Glass Ceiling Ratio in Amica S.A. in 2022 (employees employed for a definite and indefinite term)

Amica S.A.	2021	2022	Change y/y (pp)
GCR2 (senior management)	27%	34.42%	5.41%
GCR1 (mid-level staff)	2.93%	5.75%	2.82%

TABLE 54:
Gender Pay Gap Ratio in Amica S.A. in 2022

Amica S.A.	2021	2022	Change y/y (pp)
Senior management	22.3%	15.3%	−6.97%
Managers and Managers	12.0%	11.8%	−0.27%
Other employees	0.7%	8.5%	7.84%
All employees together	**7.3%**	**15.8%**	**8.42%**

TABLE 55:
Average number of training hours and training expenses at Amica S.A. in 2022

	2021			2022			change [%]
	women	men	total	women	men	total	
Senior management	6.11	9.20	7.91	37.20	20.52	23.09	191.9%
Managers and Managers	5.89	11.43	8.70	103.83	47.10	71.21	718.66%
Other employees	3.21	5.52	4.08	5.20	7.54	6.32	54.80%
All employees	3.78	7.16	5.19	12.39	11.88	12.14	133.71%
Expenditure on training in a given period [thousand zł]	163.36	241.31	404.66	385.00	897.27	1282.26	216.87%
Average annual training expenses per employee [zł]	556.45	963.26	743.75	247.71	590.11	417.03	-43.93%

TABLE 56:
OHS indicators in Amica S.A. in 2022

Amica S.A.	2021	2022	Change y/y (pp)
Employee accidents			
Number of accidents, including:	29	23	−20.69%
Minor accidents	29	23	−20.69%
Serious accidents	0	0	–
Fatal accidents	0	0	–
Multiple person accidents	0	0	–
Accidents among employees of subcontractors working on the premises of the plant			
Number of accidents, including:	1	0	−100.00%
Minor accidents	1	0	−100.00%
Serious accidents	0	0	–
Fatal accidents	0	0	–
Multiple person accidents	0	0	–
Accident rates			
Accident rate (accidents at work per 1,000 employees)	11.13	9.91	−10.99%
Number of days of incapacity for work due to accidents	1211	1.827	50.87%
Accident severity rate (number of days of inability to work per accident)	41.76	79.43	90.22%
Working in conditions of exceeding the standards			
Number of employees working in conditions of exceeding the occupational exposure limits or the permissible exposure limit.	182	76	−58.24%

List of charts presented in the report

List of tables presented in the report

SIGNATURES OF THE MEMBERS OF THE MANAGEMENT BOARD OF THE AMICA CAPITAL GROUP:

JACEK RUTKOWSKI

President of the Management Board

MARCIN BILIK

First Vice President of the Management Board

ALINA JANKOWSKA-BRZÓSKA

Vice President of the Management Board

ROBERT STOBIŃSKI

Member of the Management Board

MICHAŁ RAKOWSKI

Member of the Management Board

Approved 30 March, 2023

Publication 31 March, 2023

Statement by the Management Board of „Amica Spółka Akcyjna” with its registered office in Wronki on the application of the Corporate Governance Principles „Best Practices of WSE Listed Companies 2021”

[This Corporate Governance Statement has been prepared based on the document entitled "Best Practice for WSE Listed Companies 2021", as attached to Resolution No. 13/1834/2021 of the Supervisory Board of the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) of 29 March 2021 on the adoption of the "Best Practice for GPW Listed Companies 2021".

In accordance with § 70 section 6 point 5) of the Regulation of the Minister of Finance of 29 March 2018 on current and interim reports published by issuers of securities and on conditions for recognition of information required by the non-Member State regulations as equivalent, the Corporate Governance Statement forms a separate part of the Report on the Company's Activities being an integral part of the Annual Report of Amica Spółka Akcyjna for the financial year 2022.

Statement on the application by the company "Amica Spółka Akcyjna" of the principles of corporate governance presented in the document "Best Practices of WSE Listed Companies 2021"

A. Set of corporate governance principles applicable to the Company and the place where the text of the set of principles is publicly available

The company "Amica Spółka Akcyjna" complies with the principles of corporate governance laid down in "Best Practices of WSE Listed Companies 2021," adopted by the Supervisory Board of the Warsaw Stock Exchange by Resolution No. 13/1834/2021 of the Supervisory Board of the Warsaw Stock Exchange with on 29 March, 2021 on the adoption of the "Best Practices of WSE Listed Companies 2021."

[The regulations referred to above are available on the website of the Warsaw Stock Exchange at: https://www.gpw.pl/dobre-praktyki2021].

B. Indication of the Set of Corporate Governance Rules, the application of which could be decided by the Amica S.A. Company voluntarily

Amica S.A. does not apply the principles of corporate governance that go beyond the requirements set out in the "Best Practices of WSE Listed Companies 2021."

C. Indication of all information about the corporate governance practices applied by the Amica S.A., exceeding the requirements provided for by national law

Amica S.A. does not apply the principles of corporate governance that go beyond the requirements set out in the "Best Practices of WSE Listed Companies 2021."

D. The extent to which the Company has waived the provisions of the corporate governance principles referred to in Section A, identification of those provisions and clarification of the grounds for the waiver

In accordance with the regulations of the Warsaw Stock Exchange, the scope of application of the principles of "Best Practices of WSE Listed Companies 2021" is published and available on the corporate website of the Amica in the Investor Relations section, in the Corporate Governance tab: https://ir.amica.pl/lad-korporacyjny

On 30 July, 2021, the company Amica Spółka Akcyjna published the Information on the application by the company of "Best Practices of WSE Listed Companies 2021," at the same time indicating the following clarifications regarding the reasons for diverging from certain principles of the Best Practice 2021.

Provisions of the Best Practices of WSE Listed Companies 2021 that are not applied by the Issuer and an clarification of the reasons for diverging from their application

The Rule

Rule 1.4. In order to ensure proper communication with stakeholders, the company publishes on its website information on the goals of its adopted business strategy, measurable goals, especially long-term goals, planned activities and progress in its implementation, determined by means of financial and non-financial indicators. Information on the strategy in the ESG area should:

1.4.1. explain how climate change issues are taken into account in the decision-making processes of the company and its group entities, pointing to the resulting risks;

1.4.2. present the value of the equal wage ratio paid to its employees, calculated as the percentage difference between the average monthly remuneration (including bonuses, awards and other allowances) of women and men for the last year, and provide information on actions taken to eliminate any inequalities in this respect, along with a presentation of the related risks and the time horizon in which it is planned to achieve equality.

Comment:

Information on the business strategy of the Company and the capital group is available on the Company's website. They refer to data resulting from the long-term HIT 2023 Strategy, but also other documents describing the business strategy of the Company and the capital group (in particular, separate and consolidated financial statements). The documents available on the Company's website relate to Environmental, Social, and Governance issues, in particular to environmental issues as well as social and employee matters – indicated in principle 1.4 of Best Practices of WSE Listed Companies 2021. After the Company has developed a new long-term business strategy, relevant information, also taking into account Environmental, Social, and Governance issues, including environmental, social and employee issues, will be posted on the Company's website.

The Rule

Rule 2.1. A company should have a diversity policy towards the management board and supervisory board, adopted respectively by the supervisory board or the general meeting. The diversity policy defines the goals and criteria of diversity, among others in such areas as gender, field of education, specialist knowledge, age and professional experience, and also indicates the date and method of monitoring the achievement of these goals. In terms of gender diversity, the condition for ensuring the diversity of company bodies is the participation of a minority in a given body at a level not lower than 30%.

Comment:

Basic information on the implementation of the diversity policy by the Company results from the documents that supplement the business strategy of the Company and the capital group (in particular, separate and consolidated annual financial statements). The above documents are available on the Company's website. The Company emphasises that it takes into account all aspects of the diversity policy in relation to the Company's bodies and its key managers. Due to the above, the Company will take steps to develop a comprehensive diversity policy towards the Management Board and the Supervisory Board, and then to adopt a diversity policy by the appropriate body of the Company. The Company's goal is to develop a uniform, official document and then publish IT on the Company's website which presents the applicable rules of this policy, taking into account in particular such elements of the diversity policy as gender, education, age, professional experience, etc. The Company currently achieves a 30% diversity – in relation to women and men – in the Supervisory Board of the Company (currently the level of 33.33% diversity is reached – in relation to women and men). The company currently does not achieve a 30% diversity – with regard to women and men – in the Management Board (with the note that in the case of the Company's Management Board, the level of 20% diversity is currently achieved – in relation to women and men). The diversity policy will indicate the assumed date of achieving such diversity. However, the time horizon of achieving the 30% share of the under-represented gender in a given body must be correlated with the end of the term of office of the given body.

The Rule

Rule 2.2. The decision-makers on the appointment of members of the management board or supervisory board of a company should ensure the versatility of these bodies by selecting persons who ensure diversity in their composition, enabling the achievement of the target minimum minority participation rate set at a level of not less than 30%, in line with the objectives set out in the adopted diversity policy referred to in principle 2.1.

Comment:

The Company will take steps to develop and adopt a diversity policy towards the Company's Management Board and Supervisory Board. The diversity policy will include solutions aimed at ensuring that the entities making decisions on the appointment of members of the Management Board or the Supervisory Board have the opportunity to ensure the versatility of these bodies by selecting people to ensure diversity of composition – in accordance with the objectives set out in the adopted diversity policy. It should be emphasized, however, that the members of the Management Board and the Supervisory Board of the Company are elected by the General Meeting, therefore the final decision on the composition of these bodies rests with the Company's shareholders. Thus, the Company may at best provide for mechanisms thanks to which the Company's shareholders will be able to ensure the versatility of these bodies (e.g. by defining the requirements for members of the Company's bodies or by enabling the submission of appropriately diversified candidates). Notwithstanding the foregoing, the time horizon of reaching the diversity threshold must be correlated with the end of the term of office of the current Management Board or Supervisory Board. With regard to the appointment of members of the Company's bodies, emphasis should be placed on the fact that the members of the Company's bodies have the broadest possible competences required to hold their positions.

The Rule

Rule 3.3. A company belonging to the WIG20, mWIG40 or sWIG80 index appoints an internal auditor in charge of the internal audit function, acting in accordance with internationally recognised standards of the professional practice of internal audit. In other companies where no internal auditor was appointed to meet the above-mentioned requirements, the audit committee (or the supervisory board, if it acts as an audit committee) assesses annually whether there is a need to appoint such a person.

Comment:

The following systems operate in the Company: internal control, risk management and supervision of compliance with the law – implemented by the GRC Department (Governance, Risk and Compliance). The company duly documents the course and results of the work of these systems. Each of these systems and functions has the right resources to perform its tasks. Due to the fact that the activities undertaken by the Governance, Risk and Compliance Department in practice also meet the definition of internal audit, it is planned to formally separate from it an internal auditor who will perform the internal audit function. In particular, circumstances such as the scale of the Company's operations, the number of companies in the capital group, as well as the territorial reach of the Company and companies from the capital group speak in favour of taking the above-mentioned actions. At the same time, in terms of particularly important tasks, as well as in the event of a conflict of interest, internal audit outsourcing will be used – by using the services of external entities. The company provides funds for outsourced audit activities in the annual budget. The company will assess on an ongoing basis whether there is a need to change the model described above.

The Rule

Rule 3.6. Within the organisation, the head of internal audit reports to the president of the management board, and functionally to the chairperson of the audit committee or the chairperson of the supervisory board, if the board performs the function of the audit committee.

Comment:

The following systems operate in the Company: internal control, risk management and supervision of compliance with the law – implemented by the GRC Department (Governance, Risk and Compliance). There are plans to formally appoint an internal auditor who will manage the internal audit function. Organisational subordination in the Company of the Internal Auditor to a Member of the Management Board, the Finance Director, is in Amica's circumstances more adequate and effective, it also corresponds to the division of duties (competences) within the Management Board. The above solution meets the requirement of ensuring access to the higher management, the Management Board and the Supervisory Board of the Company. The persons responsible for the above tasks will be able to participate in the meetings of the Management Board and the Supervisory Board if the subject of these meetings is matters related to the compliance and risk system. Notwithstanding the foregoing, the Company will enable these persons to contact the Supervisory Board directly (including without the participation of the Management Board) in matters important for the running of the Company.

The Rule

Rule 3.7. Principles 3.4 – 3.6 are also applicable to entities from the company's group that are significant for its operations, if they have designated persons to perform these tasks.

Comment:

The implementation of activities indicated in rules 3.3 and 3.6 of Best Practices of WSE Listed Companies 2021 (described above) will contribute to ensuring the proper performance of duties related to internal control, risk management and supervision of compliance with the law, as well as internal audit – also in the scope of entities from the Company's capital group .

The Rule

Rule 6.4. The supervisory board performs its tasks on a continuous basis, therefore the remuneration of board members may not depend on the number of meetings held. Remuneration of members of committees, in particular the audit committee, should take into account additional workload related to the work in these committees.

Comment:

Members of the Supervisory Board of "Amica S.A." are not entitled to additional remuneration for participation in the work of committees established within the Supervisory Board (ie the Audit Committee, the Compensation and Nomination Committee and the Operations Committee). Each member of the Amica Supervisory Board participates in the works of at least one committee, and the amount of the monthly lump-sum remuneration due to the members of the Amica Supervisory Board takes into account the workload in the committees.

E. Main characteristics of the internal control and risk management systems applied with the Company in relation to the process of drawing up the financial statements and consolidated financial statements

The internal control and risk management system in relation to the process for drawing up the financial statements is based on the adopted accounting principles and internal regulations regarding the maintenance of the Company's organizational structure, which clearly assigns the responsibilities, powers and reporting relationships in the preparation of individual parts of financial reports as well as in identifying, measuring, monitoring and controlling the methodology for preparing the reports.

The issuer has implemented and maintains a corporate risk management system. It is an element of the entire management system of the Amica Capital Group and is the basis for the permanent protection and building of its goodwill. It concerns both risks to the running of business, bringing only negative effects and a potential decrease in its value, and risks related to development opportunities.

Risk management is ensured at every level of the organisation's management, with particular focus on the strategic level. Risk management in relation to the process of preparing financial statements is one of the elements of operational risk management. The risk management system supports the creation of corporate governance. Its operation is based on the coordination of risk management processes in the Amica Capital Group. As a result of its implementation, the applied risk management solutions have been unified to allow the Amica Management Board and the Supervisory Board as well as other stakeholders to obtain timely, reliable, aggregated and structured information on the risks and opportunities for the Capital Group and the methods of magaging them.

By implementing operational goals, Amica S.A. and other companies belonging to the Amica Capital Group improve the Risk Management System operating since 2010, based on the best available practices and guidelines, which must be complied with in order to ensure effective risk management. The Risk Management System is subject to periodic reviews for continuous improvement in terms of integration of the risk management process with the overall organisational order, planning, management and reporting processes.

The internal inspection system has a strong foundation in the organisational structure communicated (Governance, Risk and Compliance Department), which clearly indicates the lines of subordination and superiority and ensures effective communication of information in the whole Company.

Each individual set of data to be included in the report covers the framework indicated in and resulting from the regulations concerning periodic information published by stock issuing companies – the reports themselves are prepared by the Company's Financial Department, verified by the Head Accountant and accepted by the Management Board.

The most fundamental tasks of the internal inspection process as regards the process of preparing report may be divided systematically into two categories:

a) the reliability, completeness and currency of annual reports (other financial statements or reports of different types); the information contained in them must be of the appropriate quality and integrity.

b) following the appropriate legislation and regulations – Management and employees at other levels follow the generally applicable regulations, requirements, principles and internal procedures.

The risk assessment is the conclusion of the analytical tests and audits related to the degree of operational risk in individual business processes, which are carried out periodically by the Governance, Risk and Compliance Department (Risk Manager and Internal Control Manager)

It should be added that the IT systems implemented in the Company and the exploitation of Information Technology create the possibility of scrupulous checks on data for a given settlement period with data from previous periods and with planned results, updated in monthly cycles (within the Company analytical models are applied, and used in everyday operations by internal analysts and departments of internal inspection).

Regardless of the above, an independent external auditor verifies the contents of the annual and mid-year financial statements, having unlimited access to the source materials which form the basis of their production (Management effectively follows the progress of both the problems/questions identified by the auditors and the corrective action taken in these matters).

F.
Significant direct and indirect shareholdings

On 31 December 2022, the following entities were entitled to (at least) 5% of the total number of votes at the General Meeting of Amica Spółka Akcyjna:

Shareholder	Number of shares	Nominal value of shares	% of the share capital subscribed	Value of capital acquired (thousands)	Number of votes at the General Meeting of Shareholders	% of votes at the General Meeting of Shareholders
Holding Wronki Sp. z o.o. (formerly Holding Wronki S.A.) based in Wronki	2,715,771	2 zł	34.93%	5,431,542	5 431 542	51.77%
Nationale – Nederlanden Open Pension Fund [1]	555.952	2 zł	7.15%	1,077,904 zł	555.952	5.21%
Aviva Otwarty Fundusz Emerytalny Aviva Santander S.A. [1][2]	537.497	2 zł	6.91%	1,074,994	537.497	5.12%

[1] Data indicated based on the content of the notifications received by the Company from its Shareholders, and drawn up under Article 69 of the Public Offering Act of 29 July, 2005.

[2] On 5 January, 2023, the Issuer received a notification that as a result of the merger (pursuant to Article 67 of the Act of 28 August, 1997 on the organisation and operation of pension funds and Article 492 § 1 point 1 of the CCC), Powszechne Towarzystwo Emerytalne Allianz Polska S.A. (managing Allianz Polska Otwarty Fundusz Emerytalny, managing Allianz Polska Dobrowolny Fundusz Emerytalny) with Aviva Powszechne Towarzystwo Emerytalne Aviva Santander Spółka Akcyjna, share in the share capital and in the total number of votes of Amica S.A. on Allianz OFE, Allianz DFE and Drugi Allianz OFE accounts increased above 6%. As at the merger date, the account of the Second Allianz OFE had 710,434 shares of Amica S.A., representing 9.14% of the company's share capital, which gave the right to exercise 710,434 votes from shares representing 6.77% of the total number of votes at the AGM of Amica S.A. (see: current report 01/2023 of 10 January, 2023),

[The criterion of qualifying holdings was adopted pursuant to the provisions of Article 69 of the Act of 29 July 2005 on public offering and conditions for introduction of financial instruments to the organised trading system and on public companies].

G.
Holders of any securities with special control rights and a description of those rights

The Company has not issued securities that would give special control rights to any shareholder of Amica Wronki S.A.

H.
Restrictions on voting rights, such as limitations of the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby, with the company's cooperation, the financial rights attaching to securities are separated from the holding of securities

There are no restrictions whatsoever on the exercise of voting rights, except to the extent applicable when electing the Independent Members of the Supervisory Board, where each shareholder is entitled to vote resulting from not more than 5% (five percent) of the total number of shares in the Company, each share carrying one vote in such voting.

I.
Restrictions on the transfer of ownership of the Issuer's securities

The shareholders possessing series A preference shares have the priority when purchasing series A registered preference shares offered for sale – the procedure for sale of registered preference shares may be carried out based on the principles stipulated in the § 8 of the Articles of Association.

[The text of the Company's Articles of Association is available on the Company's website – https://relacjeinwestorskie.amica.pl/spolka].

J.
Description of the principles for appointment and dismissal of executives and their powers, in particular the right to decide on the issue or purchase of shares

Pursuant to § 30 Section 1 of the Company's Articles of Association, the Management Board is composed of 3 (three) to 6 (six) persons, who are appointed and dismissed by the General Meeting. First of all, the General Meeting shall appoint the President of the Management Board. The General Meeting shall appoint the remaining Members of the Board at the request of the elected President of the Management Board. Members of the Management Board are appointed for a joint term of office.

The Management Board of the Company does not have powers to decide on the issue or buyback of shares.

[The rules of the Management Board are regulated by the Commercial Companies Code, the Articles of Association and the Regulations of the Management Board. The Articles of Association and the Regulations of the Management Board are available on the Company's website at https://relacjeinwestorskie.amica.pl/spolka.

K.
Principles for amending the Articles of Association

Amending the provisions of the Articles of Association of Amica S.A. is the exclusive competence of the General Meeting – the prerogative indicated in § 19 sec. 2 point 3 of the Company's Articles of Association, available on the Company's website, in the part concerning Investor Relations, in the Company tab (https://relacjeinwestorskie.amica.pl/spolka).

The most recent changes to the Articles of Association of "Amica Spółka Akcyjna" were introduced under the Resolutions no. 22/2021 – 30/2021 of the Ordinary General Meeting of the Issuer of 15 June, 2021 [on 15 November, 2021, the Registry Court registered the changes to the Articles of Association of Amica S.A. in the register of the following content: § 14 clause 1 point 4), § 22 (introduction of a new editorial unit numbered in section 9), § 24 section 2 and paragraph 3, § 27 section 2, § 28 section 1, § 28 section 3, § 28 section 5 sentence 1, § 31 (introduction of a new editorial unit numbered in section 3) and § 40 section 4 of the Issuer's Articles of Association].

L. Operation of the General Meeting and its basic powers; description of the shareholders' rights and methods for their implementation, in particular, the principles resulting from the General Meeting's regulations, if such regulations have been adopted, unless such information results directly from the legislation

The Company's General Meeting operates on the basis of the Commercial Companies Code, the Articles of Association and the Operating Rules of the General Meeting adopted pursuant to the Resolution No. 20/2010 of the Extraordinary General Meeting of 16 February 2010 on approval of the Operating Rules of the General Meeting (the amendment of the previous wording of the Rules was tied to the need to take account of amendments to the Articles of Association of the Company introduced by the Extraordinary General Meeting of Shareholders of Amica S.A. on 16 February 2010). These legal documents also define the rights of shareholders.

[The Company's Articles of Association and the Regulations of the General Meeting are available on the Company's website https://relacjeinwestorskie.amica.pl/spolka].

Proceedings of the General Meeting

Shareholders may participate and exercise their voting rights at the General Meeting either in person or through appropriately authorised representatives. The representative of a shareholder may be a member of his entity or an attorney, whose power of attorney must be granted in writing to be valid. The letter of attorney is appended to the minutes of the General Meeting. Company employees or Management members may not be attorneys at the General Meeting.

Owners of registered shares are entitled to participate at the General Meeting if they are entered on the stockholders ledger at least a week before the date of the General Meeting.

Shareholders possessing publicly circulated bearer shares are entitled to participate in the General Meeting if they lodge certification at the Management Office issued by a stockbroking entity indicating the type and number of shares and the fact that these shares may not be sold before the end of the General Meeting's session.

On entering the session chamber, Participants in the General Meeting present the appropriate documents confirming their authorisation to take part in the General Meeting.

The General Meeting is opened by the Chair of the Supervisory Board or, if he/she is absent, by another member of the Supervisory Board entitled by him to do so. In the event of these persons being absent, the General Meeting is opened by the President of the Management Board or a person nominated by Management. If none of these persons is present at the General Meeting, and Management has not nominated anyone to open the proceedings, then the General Meeting may be opened by any of the participants.

In the event that the General Meeting has been called by proxy of a Court, the General Meeting is opened by one of the shareholders who entered the motion to call the General Meeting.

The General Meeting may only be chaired by a person entitled to participate in the General Meeting.

The person opening the General Meeting first of all oversees the election of a Vote Counting Commission, unless votes are to be counted electronically .

The Chair of the General Meeting is elected by secret ballot. The election may take the form of an open ballot, if only one candidate is proposed and none of those present at the General Meeting object to the open ballot. During the election of the Chair of the General Meeting, Shareholders and their representatives are entitled to the number of votes stipulated by the Shareholders List.

The election of the Chair of the General Meeting begins by the candidates being announced.

Once the candidates have been announced, the person opening the General Meeting administers the voting for each candidate in the order in which they were announced. The person who receives an absolute majority of votes becomes Chair of the General Meeting.

In the event that nobody receives the required majority, the Chair is elected in a second round of voting from between the two candidates with the highest number of votes.

The person elected Chair of the General Meeting takes over the function immediately after the ballot results are announced.

Immediately after being elected, the Chair oversees the drawing up of an attendance register containing a list of Participants in the General Meeting. The Chair checks that all the Participants in the General Meeting have signed the attendance register.

The attendance register contains the Shareholder's full name or company, number of shares he represents, and the number of votes these shares entitles him to. The attendance register should also indicate: the full name of the individual acting on behalf of a Shareholder's entity, or the full name of the attorney or other representative .

The attendance register is signed by all Participants in the General Meeting and by the Chair.

Persons arriving at the General Meeting after its commencement are also entered onto the attendance register. The fact of someone leaving the session before the General Meeting has finished is also entered on the attendance register. The circumstances of the register being updated during the course of the General Meeting are recorded in the minutes of the session, with an indication of the reasons for the update and the date and time it was made.

At the request of Shareholders owning one tenth of the share capital represented at the current General Meeting, the attendance register should be checked by a commission elected for this purpose and consisting of at least three members. Those making such a request are entitled to choose at least one member of the commission.

The General Meeting may pass a resolution to waive the secrecy of the ballot when appointing members of the commission mentioned in paragraph 1.

The General Meeting ultimately decides whether or not someone is to be entered on the attendance register after consultation with the commission.

The General Meeting also settles any doubts with regard to whether individual Participants have the right to participate in the General Meeting, if the committee described in paragraph a has not been appointed.

Members of the Management Board and Supervisory Board, and also persons appointed by Management to serve the General Meeting, are entitled to participate in the General Meeting.

Experts and Company employees whose presence is justified may also be invited by the Management Board and Supervisory Board to participate in the General Meeting.

Conducting the Proceedings of the General Meeting.

The Chair of the General Meeting, in carrying out his function, takes actions to ensure that the interests of all Shareholders are respected.

The duties of the Chair of the General Meeting include conducting the proceedings of the General Meeting and realising each subsequent item on the agenda, including:

a) confirming the propriety of calling the General Meeting,
b) care for the correct and efficient running of the session,
c) granting and retracting leave to speak,
d) issuing the relevant instructions to retain order,
e) administering ballots and ensuring they are properly conducted,
f) announcing the results of voting,
g) settling any doubts regarding the regulations.

As far as is necessary to maintain proper conduct of the session, the Chair is entitled to issue instructions to retain order.

In the course of discussion in particular points of order and in questions of order, each of the Participants in the General Meeting may rise to speak after receiving the Chair's consent. A Participant may not take the floor for longer than five (5) minutes, and the same Participant may not take the floor more than twice during a discussion of the same matter. In exceptional cases the Chair may extend the time allowed to take the floor.

In exceptional cases, a Participant in the General Meeting may lose his right to speak, if his behaviour seriously hinders the conduct of the General Meeting's session, or if the Participant's statements are irrelevant to the question under discussion.

The Chair may give the floor to referents of particular agenda items and Members of the Management Board and Supervisory Board outside their turn and more than twice, in order for them to provide explanations.

The Chair gives the floor out of sequence to participants declaring a formal motion. The Meeting decides on formal motions after hearing the motion and one (1) opponent of the motion, where necessary. A rejected formal motion may not be declared again during a discussion of the same matter. A formal motion is understood as a motion concerning the manner of the proceedings rather than the merits of a matter. Specifically, formal motions are motions concerning:

a) changes to the order of the agenda;
b) breaks in the proceedings;
c) closing the list of speakers; closing debates; voting without a debate,
d) removing an item from the agenda.

Once the discussion of a given matter is finished, the Chair may give the floor to its referent in order to respond to the Participants in the General Meeting who took the floor during the debate, and then proceeds to a vote. From this moment on, Participants may only take the floor to propose formal motions regarding the manner or order of voting.

In the event of several motions being proposed in the same matter, the farthest reaching is voted on first.

After signing the attendance register, the Chair checks the propriety of the calling of the General Meeting, and on ascertaining that the General Meeting has been called properly he announces the number of shares represented at the General Meeting and administers a vote with regard to accepting the agenda.

The General Meeting is entitled to change the order of individual items on the agenda.

No item may be removed from the agenda if it has been put there at the Shareholders' request. Motions in matters which have been removed from the agenda are considered not to have been put forward.

The General Meeting may introduce additional matters onto the agenda and debate them, but without the right to adopt resolutions.

The Chair of the General Meeting independently settles matters of order arising during the conduct of the proceedings.

Specifically, matters of order include giving the floor, administering the election of committees for particular matters, and accepting motions.

In matters of order, the interested parties may appeal to the General Meeting against the Chair's decisions. A resolution of the General Meeting is binding.

In conducting individual matters included in the agenda, the Chair invites the Participants in the General Meeting to propose motions and take the floor before passing a resolution.

Once the motions and statements of individual Participants in the General Meeting are finished, the Chair closes the discussion and administers the voting.

While individual matters are being conducted, the Chair may give the floor to members of Management, the Supervisory Board or other persons invited to the General Meeting's session. These persons may also explain particular questions presented by Participants in the General Meeting.

The Chair gives the floor to Participants in the General Meeting if their contribution is relevant to the agenda item in question.

The Chair puts resolutions to the vote with their text as worded by Company Management.

At the request of participants in the General Meeting, it is permissible to change the wording of a draft resolution and amend it, as long as this does not result in a resolution being passed which is not relevant to the agenda item.

Voting on a draft resolution is preceded by its text being read out by the Chair of the General Meeting.

After the draft resolution has been read out, participants in the General Meeting may enter motions to amend the text of the resolution.

Each of the participants is also entitled to propose a new version of the text of the draft resolution. The proposal of a new version of the text of the draft resolution is considered a proposal of an amendment.

The Chair puts the amendments to the vote of the General Meeting. Each amendment is put to the vote separately, and amendments achieving an absolute majority of votes become a subject of the rest of the session.

After voting on the amendments to the draft resolution is finished, the Chair reads out the text of the draft resolution to the General Meeting indicating which of the provisions have been amended, then administers a vote on the adoption of the resolution.

Counting the votes is the responsibility of the Vote Counting Commission, unless voting has taken place electronically. Once the voting is finished, the Vote Counting Commission or person operating the electronic vote-counting system presents the Chair with a report of the ballot results.

On receiving this report, the Chair announces the results of the ballot and states either that the resolution has been adopted, or that it has failed to receive the required majority and has not been passed.

If a Participant raises an objection concerning the passing of a resolution, the Chair allows him to present his justification. The grounds for the objection are included in the minutes.

Competences of the General Meeting

In accordance with § 19 of the Company Articles of Association, the following should be subjects of an Annual General Meeting:

1. consideration and approval of the financial statements and the Management Board's report on the Company's operations and the Supervisory Board's report for the previous financial year;
2. adoption of the resolution on appropriation of profit or treatment of loss for the previous financial year;
3. adoption a resolution on discharging members of the Company's governing bodies (receipts) from the performance of their duties,
4. passing a resolution on electing members of the Company bodies, if they are elected by the General Meeting and their mandates expire at the latest on the day of the General Shareholders' Meeting approving the financial report for the last full financial year of the term of office of the Company body.

The exclusive competence of the General Meeting shall also include:

1. appointing and recalling members of the Supervisory Board, except where provisions regarding co-optation apply,
2. appointing and dismissing members of the Management Board,
3. amendments to the Articles of Association;
4. issuing convertible bonds and bonds with pre-emptive rights;
5. establishing rules and amounts of compensation for the members of the Supervisory Board;
6. mergers, divisions, conversion or dissolution of the Company as well as election and dismissal of liquidators,
7. disposal and lease of the Company's enterprise or an organised part thereof and establishment of a limited property right thereon;
8. disposal of real estate or a perpetual usufruct right (including a share in real estate or a perpetual usufruct right) by the Company if the real estate in question includes buildings in which operations involving the production of home appliances (factory property) are carried out (which means that the application of Article 393 (4) of the Code of Commercial Companies shall be excluded in such a way that no consent of the General Meeting is required for the sale of real estate other than the factory property described above, or for the acquisition of any real estate, perpetual usufruct right or a share in real estate or perpetual usufruct right);
9. claims for damages against members of the Company bodies or against the company's founders for the loss caused by their unlawful actions.

In the financial year 2022, the Issuer's General Meeting was convened by the Management Board once – on 29 June 2022.

(Shareholders of the Company did not submit any requests for convening the General Meeting).

None of the General Meetings were either cancelled or interrupted; none of the adopted resolutions was contested before the court.

The personnel and changes thereto over the previous financial year and the description of the activities of the issuer's management, supervisory or administrative bodies and their committees.

Pursuant to the current wording of § 30 of the Company's Articles of Association, the Management Board consists of three to six persons appointed and dismissed by the General Meeting. Members of the Management Board shall be appointed for a common four-year term of office. Appointment of members of the Management Board for the joint term office shall cause the mandate of a member of the Management Board appointed before the end of the term of office of the Management Board to expire simultaneously with the mandates of other members of the Management Board.

I. Management

In the period from 01 January 2022 to 06 June 2022, the Management Board of the Issuer operated in the following composition:

- Mr Jacek Rutkowski – President of the Management Board,
- Mr Marcin Bilik – First Vice President of the Management Board/ Vice President of the Management Board responsible for Operations,
- Ms Alina Jankowska-Brzóska – Vice-President of the Management Board for Trade and Marketing,
- Mr Michał Rakowski – Member of the Management Board for Finance and Human Resources
- Mr. Błażej Sroka – Member of the Management Board for Goods Management and Logistics [1],
- Mr Robert Stobiński – Member of the Board for Digital Transformation.

In the period from 06 June 2022 to 31 December 2022, the Management Board of the Issuer operated in the following composition:

- Mr Jacek Rutkowski – President of the Management Board,
- Mr Marcin Bilik – First Vice President of the Management Board/ Vice President of the Management Board responsible for Operations,
- Ms Alina Jankowska-Brzóska – Vice-President of the Management Board for Trade and Marketing,
- Mr Michał Rakowski – Member of the Management Board for Finance and Human Resources
- Mr Robert Stobiński – Member of the Management Board for Digitisation, Logistics and Goods Management.

[By the date of this statement, the composition of the Management Board has not changed].

The Management Board directs the Company's business, manages and disposes of its moveable and immoveable assets and the Company's rights, adopts resolutions and takes decisions in any and all matters not reserved for the General Shareholders' Meeting or the Supervisory Board.

The matters requiring the adoption of a resolution of the Management Board are matters related to the representation of the Company externally and concerning the following:

1. approval of the Company's financial statements for the previous financial year (separate and consolidated statements),
2. accepting the report on the activities of the Company (and the Capital Group) in the previous financial year,
3. motions regarding the distribution of the Company's profit or the method of covering the loss for the previous financial year,
4. purchase or sale by the Company of property or an interest in property,
5. purchase or sale by the Company of shares or stocks in companies,
6. making expenses or incurring liabilities in the amount exceeding 1,000,000 (one million zł), not provided for in the approved budget,
7. granting a proxy,
8. division of competences between the directors of the Company,
9. all decisions and transactions that require the consent or authorisation of the Supervisory Board.

In the period from 1 January, 2022 to 31 December, 2022, members of the Management Board of "Amica S.A." met during 48 plenary meetings. Throughout 2022, the Management Board also adopted resolutions in writing (by circulation) provided for in § 9 section 6 of the Regulations of the Management Board of "Amica Spółka Akcyjna" with its registered office in Wronki, pursuant to Art. 371 § 3² of the Commercial Companies Code.

[The rules of the Management Board are regulated by the Commercial Companies Code, the Articles of Association and the Regulations of the Management Board. The Articles of Association and the Regulations of the Management Board are available on the Company's website at https://relacjeinwestorskie.amica.pl/spolka.

[1] On 6 June, 2022, Mr. Błażej Sroka resigned from the position of Member of the Management Board of "Amica S.A." (vide: Current Report No. 12/2022).

II.
The Supervisory Board.

In the period from 01 January 2022 to 29 June 2022, the Supervisory Board of the Issuer operated in the following composition:

- Tomasz Rynarzewski – Chair of the Supervisory Board / Chair of the Operations Committee / Member of the Compensation and Nomination Committee
- Paweł Małyska – Vice-Chair of the Supervisory Board/Independent Member of the Supervisory Board/Member of the Audit Committee,
- Andrzej Konopacki – Independent Member of the Supervisory Board / Chair of the Audit Committee / Member of the Compensation and Nomination Committee
- Jacek Marzoch – Member of the Supervisory Board / Member of the Operations Committee
- Piotr Rutkowski – Member of the Supervisory Board / Member of the Operations Committee
- Paweł Wyrzykowski – Member of the Supervisory Board / Chair of the Compensation and Nomination Committee / Member of the Audit Committee.

In the period from 29 June 2022 to 31 December 2022, the Supervisory Board of the Issuer operated in the following composition:

- Tomasz Rynarzewski – Chair of the Supervisory Board / Chair of the Operations Committee / Member of the Compensation and Nomination Committee
- Paweł Małyska – Vice-Chair of the Supervisory Board/Independent Member of the Supervisory Board/Member of the Audit Committee,
- Katarzyna Nagórko – Independent Member of the Supervisory Board / Chair of the Audit Committee,
- Aleksandra Petryga – Member of the Supervisory Board / Member of the Compensation and Nomination Committee,
- Piotr Rutkowski – Member of the Supervisory Board / Member of the Operations Committee
- Paweł Wyrzykowski – Member of the Supervisory Board / Chair of the Compensation and Nomination Committee / Member of the Audit Committee.

[By the date of this statement, the composition of the Supervisory Board has not changed].

In the period from 1 January, 2022 to 31 December, 2022, the members of the Supervisory Board of Amica S.A. met eleven times in plenary/hybrid (online) sessions. The meetings of the Supervisory Board took place on: 20 January, 2022, 22 February, 2022, 15 March, 2022, 30 March, 2022, 28 April, 2022, 25 May, 2022, 10 June, 2022, 13 July, 2022, 18 August 2022, 19 October, 2022 and 20 December, 2022. Throughout 2022, the Supervisory Board also adopted resolutions in writing (by circulation) provided for in § 24 section 3 of the Articles of Association of "Amica Spółka Akcyjna" with its registered office in Wronki, pursuant to Art. 388 § 3 of the Commercial Companies Code.

The competence of the Supervisory Board is to exercise continuous supervision over the activities of both the Company and Amica Group, and exercise the powers and duties provided for by the provisions of law, and in particular:

1. audit financial statements prepared by the Management Board and present a written report on this audit to the General Meeting;
2. check the Company's ledgers and cash desk at any time;
3. determine the remuneration of members of the Management Board and issue opinions on the remuneration of members of other Management Boards in the Amica Group, as well as express consent to the appointment of members of the Management Board of Amica S.A. to the governing bodies of companies belonging to the Amica Group or employment of Management Board members in companies belonging to the Amica Group (regardless of the basis legal status of such employment), provided that a member of the Management Board receives remuneration in connection with such appointment or employment;
4. approve to join other civil or commercial law companies and other business organisations;
5. approve the Company's annual and quarterly financial plans (budgets) presented by the Management Board;
6. approve activities beyond the ordinary management of the Company, which are related to the disposal of the right or the obligation to provide services with a value in excess of 1,000,000 (one million) Polish Złotys, which were not provided for in the approved annual budget;
7. express consent to the sale of Company assets whose value exceeds 10% (ten per cent) of the net book value of fixed assets, both in individual transactions and series of related transactions;
8. approve an increase in the Company's liabilities under long-term loans and credits other than trade credits taken in the ordinary course of business of the Company, in excess of 5,000,000 zł (five million zlotys);
9. approve an increase in the amount of guarantees and sureties granted by the Company, in excess of 5,000,000 zł (five million zlotys);
10. express consent to the sale or encumbering of Company assets, excluding property or right of perpetual usufruct, if the value of those assets exceeds 5,000,000 zł (five million), which does not affect the Company's activities in the scope of conducting its business;
11. grant consent to the purchase or sale of property or the right of perpetual usufruct or a share in the ownership of property or the right of perpetual usufruct, excluding consent for the sale of factory property;
12. grant consent to making investment expenditure with a value exceeding 5,000,000 zł (five million zlotys) not included in the adopted investment plan approved under the annual plan (budget) of the Company;
13. grant consent to exceeding the expenditure for a previously approved investment task under the investment plan referred to in point 12, by more than 10% (ten percent) of the investment value, if the planned expenditure for such an investment task exceeds the amount of 1,000,000 zł (one million);
14. subject to the provisions described in the following paragraphs, grant consent to the entering into or amendment of the contract(s) with a related party by the Company;
15. approve the Rules of Procedure of the Management Board;
16. express an opinion on the candidacy for Commercial Proxy presented by the Management Board;
17. select an audit firm to audit financial statements and to evaluate the remuneration report;
18. delegate members of the Supervisory Board from among its members to perform management functions, in the event of Members of management being suspended;
19. determine the number of Members and the composition of the Audit Committee referred to in the Act of 11 May 2017 on auditors, audit firms and public oversight, and adopting the Rules of Procedure of the Audit Committee as well as establishing other committees and collective bodies – at the discretion of the Supervisory Board;
20. approve the issue of bonds other than convertible bonds and bonds with pre-emptive rights to subscribe for shares.

A. The Audit Committee of the Supervisory Board of "Amica Spółka Akcyjna" was established in connection with the provisions of the Act of 11 May, 2017 on statutory auditors, audit firms and public supervision. The Regulations of the Audit Committee have been approved by Resolution No 01/X/NK/2016 of the Supervisory Board of "Amica Spółka Akcyjna" of 04 October 2016 on the adoption of the Regulations of the Audit Committee of the Supervisory Board of "Amica Spółka Akcyjna" (as amended by: (i) pursuant to Resolution No. 03/2017 of the Supervisory Board of "Amica Spółka Akcyjna" based in Wronki of 21 December, 2017 regarding: amendments to the Audit Committee Regulations – the amendment to the Audit Committee Regulations was related to the need to adapt its provisions to the content of the Act of 11 May 2017 – on statutory auditors, audit companies and public oversight and (ii) pursuant to Resolution No. 01 / XII / 2018 of the Supervisory Board of Amica Spółka Akcyjna with its seat in Wronki of 20 December 2018 regarding: changes in Regulations of the Audit Committee – the content of editorial units has been changed: § 2 section 1 point 2) and § 2 section 1 point 3) and the content of § 2 a) has been introduced. In the period from 1 January 2022 to 29 June 2022, the Audit Committee was composed of the following members: Andrzej Konopacki (Chair of the Audit Committee), Paweł Małyska (Member of the Audit Committee), Paweł Wyrzykowski (Member of the Audit Committee). In the period from 13 July 2022 to 31 December 2022, the Audit Committee was composed of the following members: Katarzyna Nagórko (Chair of the Audit Committee), Paweł Małyska (Member of the Audit Committee), Paweł Wyrzykowski (Member of the Audit Committee). – The current members of the Audit Committee were appointed to it (as part of the new term of office of the Supervisory Board) on 13 July, 2022.

The responsibilities of the Audit Committee include, in particular:

1. monitor the quality of the financial reporting process'
2. monitor the effectiveness of internal control, internal audit and risk management systems;
3. monitor the quality of the audit of Amica S.A. Group's financial statements by the external auditor; ;
4. monitor the independence of the statutory auditor and the entity authorized to audit financial statements, including with respect to provision the services referred to in paragraph 2;
5. submit recommendations to the Supervisory Board on matters covered by the provisions of Art. 1-4;
6. inform the Management Board about any observed irregularities or risks related to the regulations in point 1-4;
7. submit annual reports on activities to the Supervisory Board, indicating the risk assessment and results of the implemented activities in the scope covered by the Committee's tasks, and short memoranda at each meeting of the Supervisory Board.

B. The First Operations Committee of the Supervisory Board of "Amica Spółka Akcyjna" was appointed on 01 June 2016 during formation of the Supervisory Board. The Regulations of the Operations Committee have been approved by Resolution No 02/X/NK/2016 of the Supervisory Board of "Amica Spółka Akcyjna" of 04 October 2016 on the adoption of the Regulations of the Operations Committee of the Supervisory Board. The next composition of the Operations Committee (as part of the new term of office of the Supervisory Board) was appointed on 21 May, 2019. In the period from 1 January, 2022 to 29 June, 2022, the Operations Committee was composed of the following persons: Tomasz Rynarzewski (Chair of the Operations Committee), Jacek Marzoch (Member of the Operations Committee), Piotr Rutkowski (Member of the Operations Committee). In the period from 13 January, 2022 to 31 December, 2022, the Operations Committee was composed of the following persons: Tomasz Rynarzewski (Chair of the Operations Committee), Piotr Rutkowski (Member of the Operations Committee), Paweł Wyrzykowski (Member of the Operations Committee). – the current members of the Operations Committee were appointed to it (as part of the new term of office of the Supervisory Board) on 13 July, 2022.

The responsibilities of the Operations Committee include:

1. review the overall current operations of the Company and AMICA Group, particularly in the following areas of operation: production, sales, human resources, purchasing, logistics, service, IT support, organisation and quality of products and goods;

2. review long-term development strategies developed by the Company's Management Board and the annual operational and financial budgetary objectives;

3. assess and monitor the impact of the Company's investment activities on the Company's assets as well as its development and on-going operation;

4. assess the compliance of the acquisition activity with the development strategy objectives adopted by the Company and evaluate its short – and long-term impact on the Company's financial results;

5. implement the tasks of the Committee in points a) – d) taking into account the potential opportunities and threats (risks) for the short – and long-term operations of the Company and the AMICA Group.

6. review strategic documents, in particular regarding the purchase, sale or encumbrance of material assets of the Company.

C. On 16 January, 2019, the Supervisory Board appointed (within the structure of the Supervisory Board) **the Compensation and Nomination Committee**. In the period from 1 January, 2022 to 29 December, 2022, the Compensation and Nomination Committee was composed of the following persons: Paweł Wyrzykowski (Chair of the C&NC), Andrzej Konopacki (Member of the C&NC), Tomasz Rynarzewski (Member of the C&NC). In the period from 13 July, 2022 to 31 December, 2022, the Compensation and Nomination Committee was composed of the following persons: Paweł Wyrzykowski (Chair of the Compensation and Nomination Committee), Aleksandra Petryga (Member of the Compensation and Nomination Committee), Tomasz Rynarzewski (Member of the Compensation and Nomination Committee). – members of the Compensation and Nomination Committee were appointed to it (as part of the new term of office of the Supervisory Board) on 13 July, 2022.

The responsibilities of the Compensation and Nomination Committee include:

1. formulate and present to the Supervisory Board opinions regarding the terms of employment and compensation for Members of the Management Board of the Company;

2. formulate and present to the Company's Supervisory Board proposals regarding the terms of employment and compensation for Members of the Management Board, ensuring compliance of the proposals with the principles of remuneration adopted by the Company as well as the performance assessment for individual Members of the Management Board;

3. participate in the process of nomination of the Management Board Members, in particular, participation in the final stage of interviewing candidates and providing recommendations to the Supervisory Board regarding the nomination of the Management Board Members.

[The operation of the Supervisory Board is governed by the Commercial Companies Code, the Company Articles of Association and the Operating Rules of the Supervisory Board. the Company Articles of Association and Supervisory Board Regulations are available on the Company website – https://relacjeinwestorskie.amica.pl/spolka].

Information on Audit Committee Members / permitted non-audit services / main assumptions of the policy for selection of an audit firm / recommendations regarding selection of the audit firm / number of meetings of the Audit Committee.

The structure of the following information corresponds to the agenda of issues mentioned in § 70 paragraph 6 item 5 point (l) of the Regulation of the Minister of Finance of 29 March 2018 on current and interim reports published by issuers of securities and on conditions for recognition of information required by the non-Member State regulations as equivalent.

1. Persons satisfying the statutory independence criteria.

The appointment of Mr. Andrzej Konopacki and Mrs. Katarzyna Nagórko and Peweł Małyski as members of the Supervisory Board (and the Audit Committee) was based on the procedure involving examination of the independence and eligibility criteria for members of the Audit Committee (the independence requirements for Audit Committee members, listed exhaustively in Article 129 paragraph 3 of the Act of 11 May 2017 on statutory auditors, audit firms and public oversight have been verified based on the completed questionnaires drafted to assess the compliance with the independence and eligibility criteria for members of the Audit Committee of Amica S.A.).

2. Persons having knowledge and competence in the field of accounting or audit of financial statements.

- Mr. Andrzej Konopacki – master's degree in Economics, University of Warsaw, Faculty of Economic Sciences / Statutory Auditor – Entry No. 1750 /ACCA Diploma in Financial Reporting/, in the years 1994 – 2016 Executive at the Audit Department, Member of the PwC Management Board.
- Katarzyna Nagórko – Master of Finance and Banking (University of Economics in Poznań), postgraduate studies in tax management (University of Economics in Wrocław), Audit Supervisor/Audyt Manager in the audit company KPMG (1999-2011), Member of ACCA (since 2008 .).
- Mr. Paweł Małyska graduated from the Warsaw School of Economics (SGH). In 2003 he was awarded a degree of doctor of economic sciences in the College of Management and Finance of the university.

3. Persons having knowledge and competence in the field of the Company's business operations.

Mr. Paweł Wyrzykowski – A graduate of the International Trade Faculty at Warsaw School of Economics, holding numerous positions at the boards of international companies.

4. Permitted non-audit services provided by the firm auditing the financial statements.

As part of the provision of permitted non-audit services, entities from the PricewaterhouseCoopers Group have been entrusted with the following tasks: (i) audit the calculations and confirm the value of the financial ratio as at the end of 2022, calculated as at the last day of the Audit Periods ending on 31 December, in accordance with the provisions of the Terms and Conditions for the Issue of Coupon Bonds and the Issue Agreement of 29 April, 2014 (as amended) concluded between the Issuer and mBank S.A. with its registered office in Warsaw/(the order was (i) entrusted to PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp.k.), (ii) analyse of reporting compliance with the requirements of the Act on Waste Electrical and Electronic Equipment for Gram A/S for years 2020 and 2021. (iii) prepare the report of Gram A/S to the XBRL reporting standards (orders (ii) and (iii) were entrusted to PricewaterhouseCoopers Denmark).

5. Main assumptions of the policy for selection of an audit firm to conduct the audit and the policy for provision of permitted non-audit services.

The statutory audit of the Company's financial statements is performed by an auditing firm entered in the list maintained by the National Council of Statutory Auditors. The choice of an audit firm to audit of the Company's financial statements is made taking into account the principles of the audit firm's impartiality and independence as well as competence, experience and reputation of the audit firm.

The audit firm is selected by the Supervisory Board of the Company by way of a resolution, based on the recommendation of the Company's Audit Committee, which receives the report on the procedure for selection of the audit firm from the Management Board, in a timely manner ensuring impartial and fair choice. The Company organises a tender for audit of the Company's financial statements and presents the tender evaluation criteria, which should be as transparent as possible and include in particular:

a) audit firm's profile, reputation, experience (with particular emphasis on experience in auditing financial statements of companies listed on the Warsaw Stock Exchange, as well as entities operating outside of Poland, including groups managing companies operating outside of Poland);
b) professional qualifications and experience (with particular emphasis on experience in auditing financial statements of companies listed on the Warsaw Stock Exchange, as well as entities operating outside of Poland, including groups managing companies operating outside of Poland) of persons directly involved by the audit firm in the audits conducted for the Company and the Group;
c) audit firm's knowledge of the industry in which the Company operates and experience in auditing financial statements of companies manufacturing home appliances;
d) knowledge of the industry in which the Company operates and the experience of persons directly involved in the audit of the financial statements in auditing financial statements of companies manufacturing home appliances;
e) ability to provide a full range of services required by the Company (review of financial statements, audit of the separate and consolidated financial statements, audit of other group companies, including foreign operations);
f) ability to conduct the review of financial statements, audit of the separate and consolidated financial statements as well as reviews and audits of other group companies within the time limits set by the Company to meet the deadlines for periodic reports published by companies listed on the Stock Exchange;
g) audit firm's use of internal procedures designed to ensure impartiality and compliance with other relevant rules;
h) audit firm's use of IT tools;
i) strategy for communication between the Company and the audit firm;
j) measures taken to ensure timely audit of the financial statements;
k) references;
l) proposed fee for the services.

The company evaluates the tenders submitted by audit firms in accordance with the selection criteria set out in the tender documentation and prepares a report containing conclusions from the selection procedure approved by the Audit Committee. When selecting an audit firm, the Supervisory Board takes into account the limitations imposed by the applicable law, in particular, those that may result in invalidity of the audit of financial statements or contractual clauses included in the agreement with such a firm (prohibited contractual clauses). An audit firm cannot audit financial statements for more than 5 consecutive years. After 5 years of cooperation with the Company, the same audit firm will not be allowed to provide services involving the audit of the Company's financial statements for the following 4 years. The first contract for the audit of the financial statements is concluded with a given audit firm for a period of not less than two years, with the possibility of extension for subsequent periods of at least two years. The audit firm's fee for conducting the statutory audits cannot be subject to any conditions, including the audit results, and cannot be influenced or determined by the provision of additional services or non-audit services to the Company or its related parties by the audit firm or any of the audit firm's related parties.

As a result of the evaluation, the Audit Committee recommends that the Supervisory Board renews the agreement with a given audit firm or initiates the procedure for selecting an audit firm, subject to the requirements provided under the applicable laws, in particular, regarding the terms of contracts with audit firms and the period of uninterrupted cooperation with a given audit firm. Where the Audit Committee provides recommendation regarding renewal of the agreement with a given audit firm, the said recommendation must indicate the proposed audit firm to be used for the statutory audit. Based on the Audit Committee's recommendation, the Supervisory Board makes the decision in the form of a resolution on the selection of an audit firm authorized to audit the separate and consolidated financial statements of the Company. The Supervisory Board may decide to deny an audit firm recommended by the Audit Committee under the procedure for renewal of the existing agreement. In such case, it is necessary to conduct the selection procedure on the terms described in the "Audit Firm Selection Procedure". If the Audit Committee recommends the initiation of the procedure for selecting an audit firm, the Supervisory Board makes a decisions to consider the recommendation of the Audit Committee. If a decision is made to initiate the procedure for the selection of an audit firm, this choice shall be made on the terms described in the "Audit Firm Selection Procedure".

6. Recommendations for selection of an audit firm.

The Audit Committee of the company under the business name "Amica Spółka Akcyjna" with its registered office in Wronki (the "Company"), acting on the basis of the provisions of the Policy and procedure for selecting an audit firm and the policy for the provision of additional services by the audit firm, entities related to this audit firm and a member of the firm's network in force in the Company, the provisions of the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Oversight (Journal of Laws of 2019, item 1421) and the provisions of Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April, 2014 on detailed requirements regarding statutory audits of financial statements of public-interest entities, repealing Commission Decision 2005/909/EC, on 25 April, 2022, adopted a recommendation regarding the extension of cooperation with the existing audit firm to conduc audits and reviews of the Company's financial statements for the financial years 2022-2024. On 28 April, 2022, the Supervisory Board of the Company – as an entity authorised under the Company's Articles of Association – adopted a resolution on the selection of PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt spółka komandytowa with its registered office in Warsaw, as an audit company to conduct audits and reviews of financial statements for the years 2022-2024.

[The Company used the services of PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt spółka komandytowa with its registered office and address in Warsaw to audit (review) the financial statements of "Amica S.A." and the consolidated financial statements of the Amica S.A. Group for the financial years 2020-2021].

7. Number of the Audit Committee meetings held.

In the period from 1 January, 2022 to 31 December, 2022, the Audit Committee met 15 times during plenary sessions and via means of direct remote communication (teleconference). Meetings (teleconferences) of the Audit Committee were held on: 18/25 January, 2022, 21 February, 2022, 28 March, 2022, 30 March, 2022, 25 April, 2022, 9 May, 2022, 16 May, 2022, 13 July, 2022, 20 July, 2022, 12 September, 2022, 14 September, 2022, 27 October, 2022, 21 November, 2022, 29 November, 2022 and 19 December, 2022. The meetings were attended by the Members of the Audit Committee, Members of the Management Board and executive staff as well as invited guests, including representatives of the entity which audited the financial statements of the Company. Those closely cooperating with the Audit Committee included in particular: Member of the Management Board for Finance and Human Resources, Member of the Management Board for Digital Transformation, Chief Accountant, Director of Governance, Risk and Compliance, Director of Treasury, Director of IT Networks, Risk Manager, Consolidation and Financial Reporting Manager and representatives PricewaterhouseCoopers Polska limited liability company Audyt sp.k. based in Warsaw.

O. Diversity policy applicable to the administrative, management and supervisory bodies of the issuer

The Company has not yet developed and thus does not pursue the diversity policy (nevertheless, when making any decision on the selection of executives, managers or supervisors, the Company insists that all candidates should have high qualifications and extensive experience in relevant fields of the Company's activity; characteristics such as age or sex of the candidate are not of primary importance). The Company emphasises that it takes into account all aspects of the diversity policy in relation to the Company's bodies and its key managers. Due to the above, the Company will take steps to develop a comprehensive diversity policy towards the Management Board and the Supervisory Board, and then to adopt a diversity policy by the appropriate body of the Company. The Company's goal is to develop a uniform, official document and then publish IT on the Company's website which presents the applicable rules of this policy, taking into account in particular such elements of the diversity policy as gender, education, age, professional experience, etc. The company currently does not provide a 30% diversity – with regard to women and men – in the Management Board and Supervisory Board (with the note that in the case of the Company's Management Board, the level of 16.66% diversity is currently achieved – in relation to women and men). The diversity policy will indicate the assumed date of achieving such diversity. The time horizon of achieving a 30% share of the under-represented gender in a given body must, however, be correlated with the term of office of the current Management Board or Supervisory Board.

P. Description of significant proceedings pending before a court, a body competent for arbitration proceedings or a public administration body regarding liabilities and receivables of the issuer or its subsidiaries

As at the balance sheet date, there were no significant proceedings pending regarding the Issuer's or its subsidiary's liabilities or receivables.

Q. Statement on non-financial information

The statement on non-financial information is an integral part of the Management Board's Report along with the non-financial information of the Amica Capital Group for the financial year 2022.

R. Indication of the name and registered office of the higher level parent that prepares the statement or report on non-financial information covering the issuer and its subsidiaries.

The Issuer does not have a higher-level parent that prepares a statement or report on non-financial information covering the Issuer and its subsidiaries.

SIGNATURES OF MEMBERS OF THE MANAGEMENT BOARD OF AMICA SPÓŁKA AKCYJNA:

JACEK RUTKOWSKI

President of the Management Board

MARCIN BILIK

First Vice President of the Management Board

ALINA JANKOWSKA-BRZÓSKA

Vice President of the Management Board

MICHAŁ RAKOWSKI

Member of the Management Board

ROBERT STOBIŃSKI

Member of the Management Board

Approved 30 March, 2023

Publication 31 March, 2023

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Statements of the Management Board and Supervisory Board

Statement of the Management Board of Amica S.A. on the reliability of the Consolidated Financial Statement for the period from 01.01.2022 to 31.12.2022

The Management Board of "Amica S.A." with its registered office in Wronki ("the Company") declares that, to the best of its knowledge, the annual consolidated financial statements for the period from 01.01.2022 to 31.12.2022 and comparable data were prepared in accordance with the regulations applicable to the Company, and that the data provided in the consolidated financial statements reflect truthfully, reliably and transparently the property and financial situation of the Amica Capital Group and its financial result, and that the consolidated report on the activities of the Amica Capital Group provides a true picture of the Company's standing, including a description of the basic threats and risks related to the conducted activity.

Statement of the Management Board of Amica S.A. on the entity authorised to audit financial statements

The Management Board of "Amica S.A." with its registered office in Wronki ("Company") declares that the entity authorised to audit financial statements, auditing the annual financial statements of the Company for the period from 01.01.2022 to 31.03.2022, was selected in accordance with legal regulations, and that this entity and the statutory auditors who audited this report meet the conditions for expressing an impartial and independent opinion on the audit, in accordance with the relevant provisions of national law.

Statement of the Supervisory Board of "Amica Spółka Akcyjna" regarding the Audit Committee

(prepared in accordance with the requirement of § 70 section 1 item 8) of the Ordinance of the Minister of Finance of March 29, 2018 regarding current and periodic information to be submitted by issuers of securities and the conditions for recognition as equivalent of the information whose disclosure is required under the laws of a non-member state)

The Supervisory Board of "Amica Spółka Akcyjna" declares that:

- pursuant to the requirements applicable in "Amica", an Audit Committee has been appointed and operates, and consists – at the date of this statement – of the following members of the Supervisory Board: Katarzyna Nagórko, as the Chair of the Audit Committee, and Paweł Małyska and Paweł Wyrzykowski;
- the rules related to the appointment, composition and operation of the Audit Committee are being followed, including the fulfilment by its members the criteria for independence and requirements for knowledge and skills in the industry, in which "Amica" Company operates, and in accounting or financial statements auditing;
- The Audit Committee has performed and performs the tasks laid down in the applicable regulations.

Statements of the Supervisory Board of "Amica Spółka Akcyjna"

(prepared in accordance with the requirement of § 70 section 1 item 14 and § 71 section 1 item 12) of the Ordinance of the Minister of Finance of March 29, 2018 regarding current and periodic information to be submitted by issuers of securities and the conditions for recognition as equivalent of the information whose disclosure is required under the laws of a non-member state)

The Supervisory Board of Amica S.A., in accordance with Article 382 § 3 of the Commercial Company Code, acting based on the substance of § 70 section 1 item 14 and § 71 section 1 item 12 of the Ordinance of the Minister of Finance of March 29, 2018 regarding current and periodic information to be submitted by issuers of securities and the conditions for recognition as equivalent of the information whose disclosure is required under the laws of a non-member state and the Articles of Association of the Company has assessed:

1. the consolidated financial statement of the Amica S.A. Capital Group for the year ended 31 December, 2022 (Consolidated Financial Statement),
2. the financial statement of Amica S.A. for the year ended 31 December, 2022 (Separate Financial Statement),
3. the Management Board operating statement for the Capital Group Amica S.A. for 2022, drawn up together with the Management Board operating statement for Amica S.A. (*Report of the Management Board together with non-financial information of the Amica Capital Group for 2022*).

The audit of the financial statements was carried out by the auditing company PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt spółka komandytowa with its registered office and address in Warsaw, selected by the Supervisory Board of Amica S.A. to audit the separate financial statements and the consolidated financial statements.

The independent statutory auditor presented the reports:

- in relation to the individual financial statement, stating that it presents a true and fair view of the financial position of "Amica S.A." as at 31 December 2022, and that it has been prepared, in all essential aspects, based on the properly maintained accounting records in accordance with the provisions of Chapter 2 of the Accounting Act, and that it is consistent, in all essential aspects, in the form and content with the applicable laws and the Articles of Association,
- in relation to the consolidated financial statement, stating that it presents a true and fair view of the consolidated economic and financial position of the Capital Group Amica S.A. as at 31 December 2022, and that it is consistent, in all essential aspects, in the form and content with the applicable in the Capital Group Amica S.A. laws and the Articles of Association of the Company.

In addition, the statutory auditor stated on the basis of the procedures performed during the audit of the financial statements, that the operating statement, in all essential aspects, has been prepared in accordance with the applicable provisions of law and is consistent with the information contained in the individual and consolidated financial statement.

Based on the assessment of the analysis of reports presented by the Management Board of the Company, the analysis of the content of the aforementioned reports of the independent statutory auditor, and the recommendation presented on March 29th, 2023 by the Audit Committee, the Supervisory Board has had a positive opinion on the presented financial statements.

Furthermore, during the assessment, the Supervisory Board:

1. reviewed and analyzed the financial statements including:
   1) profit and loss account for the period from 1 January to 31 December, 2022,
   2) statement of comprehensive income for 2022,
   3) statement of financial position as at 31 December 2022,
   4) statement of changes in equity for the year ended 31 December 2022,
   5) statement of cash flows for the period from 1 January to 31 December 2022,
   6) notes to the financial statement.
2. reviewed and analysed the consolidated financial statements covering:
   1) consolidated profit and loss account for the period from 1 January to 31 December, 2022,
   2) consolidated statement of comprehensive income for 2022,
   3) consolidated statement of financial position as at 31 December 2022,
   4) consolidated statement of changes in equity for the year ended 31 December 2022,
   5) consolidated statement of cash flows for the period from 1 January to 31 December 2022,
   6) notes to the consolidated financial statement.
3. has reviewed and analysed the Management Board's report on activities, including a statement on non-financial information (*Management Report with non-financial information of the Amica Capital Group for 2022*).

Financial statements have been prepared within the timelines specified in the regulations, in accordance with the International Financial Reporting Standards adopted by the European Union, and also the adopted accounting principles.

The Supervisory Board's opinion is that the operating statement of the Management Board is complete and essentially fulfils the requirements of Article 9 and Article 55 section 1a of the Accounting Act and the Ordinance of the Minister of Finance of 29 March 2018 regarding current and periodic information to be submitted by issuers of securities and the conditions for recognition as equivalent of the information whose disclosure is required under the laws of a non-member state.

On the basis of the above, the Supervisory Board also assessed that the consolidated financial statements, financial statements and the Management Board's report on operations *(Management Board's Report together with non-financial information of the Amica Capital Group for 2022)* are consistent with the books, documents and the actual state of affairs.

Statement of the Supervisory Board of "Amica Spółka Akcyjna" on the selection of an audit firm conducting the audit of the annual consolidated financial statement in accordance with the applicable regulations

(drawn up on the basis of the Regulation of the Minister of Finance of 29 March, 2018 on current and periodic information published by issuers of securities and conditions for recognising as equivalent information required by the law of a non-member state].

The Supervisory Board of Amica S.A., acting on the basis of the Regulation of the Minister of Finance of 29 March, 2018 on periodic information provided by issuers of securities and the conditions for recognising as equivalent information required by the law of a non-member state, declares that the selection of an audit firm conducting the audit of the annual, separate financial statements for the financial year 2021 was carried out in accordance with applicable regulations, including the selection and procedure for selecting an audit firm.

The Supervisory Board of Amica S.A. further declares that:

- audit firm and the members of the audit team performing the audit fulfilled the conditions for the preparation of impartial and independent audit report for the annual separate financial statement in accordance with the applicable regulations, professional standards and the rules of professional ethics;
- the applicable laws relating to the rotation of the audit firm and the key statutory auditor and the mandatory withdrawal periods are complied with;
- Amica S.A. has an established policy for the selection of an audit firm and the policy for the provision of services to Amica S.A. by the audit firm, an affiliate of an audit firm or a member of their network, that is additional non-audit services, including those conditionally exempted from the prohibition of the service provision by the audit firm *(of which new, current wording was adopted on the basis of the content of Resolution No. 01 / XII / 2022 of the Supervisory Board of "Amica Spółka Akcyjna" of 20 December 2022 on: introducing changes to the Policy of "Amica Spółka Akcyjna" and procedure for the selection of an audit firm and the Policy for the provision of additional services by the audit firm, entities associated with the audit firm, and a member of the audit firm network).*

SIGNATURES OF THE APPROVERS

JACEK RUTKOWSKI

President of the Management Board

MARCIN BILIK

First Vice President of the Management Board

ALINA JANKOWSKA-BRZÓSKA

Vice President of the Management Board

MICHAŁ RAKOWSKI

Member of the Management Board

ROBERT STOBIŃSKI

Member of the Management Board

Approved 30 March, 2023

Publication 31 March, 2023

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Amica S.A. Capital Group

Consolidated Financial Statements for the year ended 31 December 2022

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SELECTED CONSOLIDATED FINANCIAL DATA OF THE CAPITAL GROUP

	million PLN		million EUR	
	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
Revenue from agreements with customers	3,415.8	3,433.9	728.7	751.9
Profit on operating activities	18.1	149.9	3.9	32.8
Profit before tax	3.8	144.9	0.8	31.7
Net profit (loss) attributable to company shareholders	(8.1)	111.7	(1.7)	24.5
Net profit/(loss) attributable to minority shareholders	(1.6)	(0.5)	(0.3)	(0.1)
Net cash flows from operating activities	378.9	(167.0)	80.8	(36.6)
Net cash flows from investment activities	(73.3)	(84.5)	(15.6)	(18.5)
Net cash flows from financial activities	(200.9)	41.5	(42.9)	9.1
Total net cash flows	104.7	(210.0)	22.3	(46.0)
Profit (loss) per ordinary share	(1.26)	14.58	(0.27)	3.19

	million PLN		million EUR	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Total assets	2,197.9	2,509.4	468.6	545.6
Long term liabilities	184.3	214.5	39.3	46.6
Current liabilities	906.6	1,152.0	193.3	250.5
Equity capital allocated to shareholders	1,106.6	1,140.7	236.0	248.0
Equity capital allocated to minority shareholders	0.4	2.2	0.1	0.5
Share capital	15.6	15.6	3.3	3.4
Number of shares	7,775,273	7,775,273	7,775,273	7,775,273
Number of own shares for disposal	103,829	147,137	103,829	147,137
Book value per share (in PLN / EUR)	142.32	146.71	30.35	31.90
Dividend paid per share (PLN / EUR) [1]	3.50	6.00	0.75	1.31

Financial data was converted to the EUR according to the following currency exchange rates:	31 December 2022	31 December 2021
currency exchange rates for the statement of comprehensive income and cash flow	4.6876	4.5670
Currency exchange rates for the items of statement of financial position	4.6899	4.5994

[1] Dividend paid for the financial years 2021 and 2020. Details are specified in the Note 17.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December, 2022

	Note	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
Revenue from sale of goods and products		3,366.8	3,398.4
Revenue from sale of services		49.0	35.5
Revenue from agreements with customers		**3,415.8**	**3,433.9**
Own sales costs		2,671.7	2,606.4
Gross profit on sales	**11, 12**	**744.1**	**827.5**
Other operating revenue	13.1.	19.0	12.2
Cost of sales		470.0	412.5
General administrative expenses		261.7	269.8
Other operating costs	13.2.	11.4	9.3
Loss on expected credit losses		1.9	(1.8)
Profit on operating activities		**18.1**	**149.9**
Financial revenue	13.3.	71.6	18.5
Financial costs	13.4.	85.9	23.5
Gross profit		**3.8**	**144.9**
Income tax	14.	13.5	33.7
Net profit (loss)		**(9.7)**	**111.2**
Profit/(Loss) attributable to:		**(9.7)**	**111.2**
Shareholders of the Parent Company		(8.1)	111.7
Non-controlling shareholders		(1.6)	(0.5)
Profit/(Loss) per share:			
– basic from profit for the period (PLN)		(1.26)	14.58
– diluted from profit for the period (PLN)		(1.26)	14.58
Other net comprehensive income			
Items to be reclassified to the profit / (loss) in subsequent reporting periods:		**(1.8)**	**12.7**
Exchange gain (loss) of a foreign entities:		7.3	7.3
Net assets hedging		0.8	(2.0)
Cash flow hedging		(12.0)	8.7
Income tax related to other comprehensive income		2.1	(1.3)
Items not to be reclassified to the profit / (loss) in subsequent reporting periods:		**2.9**	**0.4**
Revaluation of liabilities from employee benefits		2.9	0.4
Total other net comprehensive income		**1.1**	**13.1**
Total comprehensive income		**(8.6)**	**124.3**
Total income attributable to:		**(8.6)**	**124.3**
Shareholders of the Parent Company		(6.8)	124.6
Non-controlling shareholders		(1.8)	(0.3)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2022

	Note	31 December 2022	31 December 2021 Restated data [1]
ASSETS			
Fixed assets		**795.5**	**774.1**
Property, plant and equipment	18	455.0	434.5
Right of use	19	75.7	84.2
Goodwill	22	43.8	44.2
Intangible assets	22	142.3	127.7
Investment property	21	12.3	13.4
Derivative financial instruments	38	6.1	7.3
Other long-term financial assets		0.4	0.4
Deferred income tax assets	14.3	59.9	62.4
Current Assets		**1,402.4**	**1,735.3**
Inventory	25	653.5	811.6
Receivables from deliveries and services and other receivables.	26	493.9	725.6
Receivables from income tax		19.0	14.4
Derivative financial instruments	38	9.1	48.9
Other short-term non-financial assets	23	50.4	64.8
Cash and cash equivalents		166.4	59.9
Assets classified as designated for sale		10.1	10.1
TOTAL ASSETS		**2,197.9**	**2,509.4**

[1] Detailed changes in the methods of presentation are presented in note 9

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, continued
As at 31 December 2022

	Note	31 December 2022	31 December 2021 Restated data [1]
LIABILITIES			
Total equity capital		**1,107.0**	**1,142.9**
Equity capital allocated to shareholders of the Parent Company:		**1,106.6**	**1,140.7**
Stated capital	28	15.6	15.6
Supplementary capital and other reserve capitals	29	1,070.8	1,012.7
Exchange gain (loss) on consolidation		(8.5)	(16.0)
Retained profits		28.7	128.4
Non-controlling interest	**29.3**	**0.4**	**2.2**
Long term liabilities		**184.3**	**214.5**
Credit, loans and other debt instruments	30	92.1	107.0
Non-current provisions	31	23.4	25.0
Deferred income tax liabilities		16.2	21.5
Derivative financial instruments	38	–	6.2
Liabilities from leasing agreements	19	38.5	49.3
Long-term deferred charges and accruals	32.2	14.1	5.5
Current liabilities		**906.5**	**1,152.0**
Liabilities from deliveries and services and other liabilities.	32	707.3	845.0
Credit, loans and other debt instruments	30	63.0	152.8
Derivative financial instruments	38	17.4	13.6
Liabilities from leasing agreements	19	27.7	26.0
Liabilities due to debt factoring		18.3	28.2
Liabilities from income tax		7.4	2.4
Short-term deferred charges and accruals	32.2	0.4	1.2
Current provisions		65.1	82.8
Total liabilities		**1,090.8**	**1,366.5**
TOTAL LIABILITIES		**2,197.9**	**2,509.4**

[1] Detailed changes in the methods of presentation are presented in note 9

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December, 2022

	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021 Restated data [1]
Cash flows from operating activities		
Gross profit	**3.8**	**144.9**
Adjustments by items:	375.1	(311.9)
Depreciation	69.6	65.9
Currency translation profit/(loss)	5.6	2.2
Interest and profit sharing (dividend)	34.1	9.2
Profit (loss) on investing activities	0.9	0.4
Change in provisions	(18.1)	(2.4)
(Increase) / decrease in inventories	169.8	(390.1)
(Increase) / decrease in receivables	269.9	(36.8)
Increase/decrease in liabilities	(150.5)	107.7
Change in prepayments and accruals	0.2	(6.1)
Result on derivatives	(38.7)	(55.3)
Result on valuation of the incentive scheme	(5.7)	(11.4)
Issue of shares under the Incentive Scheme	5.2	6.6
Cash flows related to hedging	63.9	33.8
Other	(4.8)	1.0
Income tax paid	(26.3)	(36.6)
Net cash flows from operating activities	**378.9**	**(167.0)**

[1] Detailed changes in the methods of presentation are presented in note 9

Consolidated Financial Statements for the year ended 31 December 2022
[million zł]

	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021 Restated data [1]
Cash flows from investment activities		
Sale of property, plant and equipment	0.5	1.5
Purchase of property, plant and equipment	(84.4)	(86.9)
Grants received	8.4	–
Repayment of loans granted	–	4.7
Loans granted	–	(4.7)
Flows of trade derivatives	2.2	0.9
Net cash from investing activities	**(73.3)**	**(84.5)**

	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021 Restated data [1]
Cash flows from financial activities		
Payment of liabilities arising from leasing agreements	(24.9)	(22.2)
Inflows from credits/loan taken	4.5	113.0
Repayment of loans/credits	(95.2)	(21.9)
Issuance of debt securities	–	50.0
Redemption of debt securities	(15.9)	(15.9)
Dividends paid out	(26.7)	(45.4)
Interest paid	(33.8)	(8.7)
Inflows from debt factoring	139.6	201.3
Expenses due to debt factoring	(148.5)	(207.4)
Other	–	(1.3)
Net cash from financial activities	**(200.9)**	**41.5**

	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021 Restated data [1]
Net increase / (decrease) in cash and cash equivalents	**104.7**	**(210.0)**
Balance sheet change in cash, including:	106.5	(210.5)
Net exchange rate differences	1.8	(0.5)
Opening balance of cash	**59.9**	**270.4**
Closing balance of cash	**166.4**	**59.9**
including cash of limited disposability	16.0	7.7

[1] Detailed changes in the methods of presentation are presented in note 9

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY CAPITAL
for the year ended 31 December, 2022

	Stated capital	Supplementary capital and other reserve capitals [1]	Exchange gain (loss) on consolidation	Retained profits	Total	Non-controlling interest	Total equity capital
As at 1 January 2022	**15.6**	**1,012.7**	**(16.0)**	**128.4**	**1,140.7**	**2.2**	**1,142.9**
(Loss) net	–	–	–	(8.1)	(8.1)	(1.6)	(9.7)
Other net comprehensive income	–	(6.2)	7.5	–	1.3	(0.2)	1.1
Total comprehensive income	**–**	**(6.2)**	**7.5**	**(8.1)**	**(6.8)**	**(1.8)**	**(8.6)**
Re-booking of financial result to supplementary capital	–	64.9	–	(64.9)	–	–	–
Dividends	–	–	–	(26.7)	(26.7)	–	(26.7)
Issue of own shares	–	5.2	–	–	5.2	–	5.2
Valuation of incentive scheme	–	(5.8)	–	–	(5.8)	–	(5.8)
As at 31 December 2022	**15.6**	**1,070.8**	**(8.5)**	**28.7**	**1,106.6**	**0.4**	**1,107.0**

	Stated capital	Supplementary capital and other reserve capitals [1]	Exchange gain (loss) on consolidation	Retained profits	Total	Non-controlling interest	Total equity capital
As at 1 January 2021	**15.6**	**929.5**	**(23.1)**	**144.0**	**1,066.0**	**2.5**	**1,068.5**
Net profit	–	–	–	111.7	111.7	(0.5)	111.2
Other net comprehensive income	–	5.8	7.1	–	12.9	0.2	13.1
Total comprehensive income	**–**	**5.8**	**7.1**	**111.7**	**124.6**	**(0.3)**	**124.3**
Re-booking of financial result to supplementary capital	–	81.9	–	(81.9)	–	–	–
Dividends	–	–	–	(45.4)	(45.4)	–	(45.4)
Issue of own shares	–	6.6	–	–	6.6	–	6.6
Settlement of the incentive scheme	–	(6.4)	–	–	(6.4)	–	(6.4)
Valuation of incentive scheme	–	(4.6)	–	–	(4.6)	–	(4.6)
Other changes	–	(0.1)	–	–	(0.1)	–	(0.1)
As at 31 December 2021	**15.6**	**1,012.7**	**(16.0)**	**128.4**	**1,140.7**	**2.2**	**1,142.9**

[1] Details on the item "Supplementary capital and other reserve capital" are presented in note 29.

Actions taken by the Group in connection with the outbreak of the war in Ukraine and their impact on the business activity of the Amica Group.

The business activities of The Amica Group are and may be affected by the military operations in Ukraine initiated on 24 February, 2022, which are also the reason why the international community imposed sanctions on Russia. This creates a new, dynamically changing and unpredictable situation in the business environment for business entities. The Group's operations are affected by the economic downturn (slower GDP growth and consumption demand) in EU countries and the collapse of the economies of Russia (sanctions) and Ukraine (as a result of war), unstable supply chains and prices of raw materials and components. The current situation also has and may have a further impact on the level of financial costs (interest rates), exchange rates, inflationary pressure, as well as liquidity and risks in the IT area.

Due to the dynamic situation, the Management Board of the Group cannot predict a further scenario or how the situation will develop. In these circumstances, the Group is preparing for various, even extreme scenarios. The Management Board of The Amica Group analyses the available information and takes initiatives to minimise the impact of the situation on its operations. It is difficult to estimate more precisely the further real impact of the outbreak of the war in Ukraine, with the determination of the scale of their actual impact on the activities of The Amica Group Thus, the risk of circumstances significantly affecting the financial and economic situation in subsequent reporting periods cannot be ruled out.

The Amica Group continues to analyse the opportunities for doing business in Russia and Ukraine and will provide information on any significant changes in this respect.

Analysis of the impact of changes in the economic situation on the valuation of the Amica Group's assets and liabilities

Inventory write-downs to recoverable net value

The Management Board of Amica S.A. monitors the level of inventories directly involved in the eastern markets in terms of possible impairment. As at the balance sheet date, the value of these inventories was 41.5 million zł.

As at 31 December, 2021, the value of inventories was 70.1 million zł.

The Management Board of Amica S.A. analyses the situation with regard to the value of inventories on an ongoing basis and will analyse the possible impact in future periods.

Expected credit loss (ECL) assessment

As at the balance sheet date, 30 December, 2022, receivables from customers to the Russian company amounted to 35.9 million zł (581 million RUB), showing a significant decrease compared to 31 December, 2021, when the amount of receivables from customers amounted to 163 million zł (3,007 million RUB). A significant decrease in the value of receivables from customers to the Russian company results from the shorter payment terms, the introduction of mandatory prepayment for some customers and the sale of part of receivables to a factoring company. As a result of the expected credit loss assessment for Russian company receivables, no increased risk of customer non-payment was identified. Therefore, the value of the allowance for uncollectible accounts as at 30 December , 2022 remained at the level of 0.4 million zł.

As at the balance sheet date on 31.12.2022, the receivables from the Russian company to Amica S.A. amounted to 27.1 million zł. As at 31 December, 2021, the value of receivables was 140.2 million zł.

As at the balance sheet date of 31 December 2022, the amount of receivables from Ukrainian customers towards Amica Handel i Marketing Sp. z o. o. amounted to 19.3 million zł (21.0 million as at 31 December 2021).

In 2022, as a result of the assessment of expected credit losses regarding receivables from Ukrainian customers, no substantial increase in the risk of not receiving payments from customers was identified.

As at the balance sheet date, 30 December, 2022, the value of the write-down on receivables is 1.2 million zł, compared to 0.7 million zł at the end of 2021.

Due to the renewed option of insuring transactions with Ukrainian customers, sales cooperation on the Ukrainian market was resumed. As at the balance sheet date, over 41% of receivables from customers were covered by insurance.

The Group analyses the situation on the markets on an ongoing basis and information from contractors that may indicate a deterioration of the financial situation and, if necessary, will update the adopted estimates for the calculation of the expected credit loss and does not exclude that there may be an increase in the value of write-offs for trade receivables in future periods .

Impairment of property, plant and equipment, intangible assets and shares in subsidiaries

Amica has subsidiaries in Ukraine and Russia.

In the opinion of the Management Board, the current geopolitical situation may also have an impact on the achievement by company based in Russia, of lower than assumed revenues and financial results, however, the scale is currently difficult to reliably estimate.

As at the balance sheet date, the Group had non-current assets in companies in Russia and Ukraine with a total value of 4.8 million zł.

As at 30 December, 2022, the Group did not identify any evidence of impairment of fixed assets in its subsidiaries in Russia and Ukraine.

Actions taken by the Group in connection with the outbreak of the war in Ukraine and their impact on the situation of the Amica Group.

Liquidity standing

Throughout 2022, the Gruop continued its current policy for liquidity management, consisting in the diversification of financing sources and the use of a number of tools for effective liquidity management and optimisation of financial costs, including the systems of consolidation of funds.

The Management Board of the Amica Group does not identify any liquidity problems at present. The Management Board of Amica SA also do not see an increase in the risk of failure to meet loan agreements or other debt financing agreements. The company continues to take optimisation measures and assumes maintaining a safe level of net debt and satisfy covenants.

Revenue

The Amica Group presents its operating segments geographically in the financial statements. In 2022, the Group achieved revenues of 328 million zł in the eastern market segment including Russia and Ukraine, which accounts for 9.6% of revenues from the sale of products and goods. In the Group's opinion, the current geopolitical situation may have an impact on the achievement by companies in Russia and Ukraine of revenue that is lower than previously assumed, however, the potential scale is currently difficult to estimate reliably.

After the outbreak of the war in Ukraine, the sales activities of company in Russia were carried out on the basis of the existing inventory of products and goods, as well as direct import of goods from suppliers from Turkey and the Far East.

As at today, the production activity for the purposes of supplying eastern markets is conducted at a limited level. The Amica Group complies with all sanctions imposed on the Russian Federation by the European Union and does not cooperate with entities that have been subject to restrictions. In the context of eastern markets, the Company's primary goal is to rebuild sales on the Ukrainian market while maintaining the financial security of commercial transactions, as well as further development of sales in the eastern region, especially through Hansa Central Asia.

Currency risks, hedging

The outbreak of the war in Ukraine destabilised the financial markets. The observed high volatility of exchange rates in the initial phase decreased over time. The Group continues its long-term policy and uses financial instruments to hedge foreign exchange rate risk so that the possible return of volatility does not adversely affect its results in financial activities. Due to the situation on the financial markets as at the date of publication, in the opinion of the Management Board, it is not possible to hedge ruble positions.

Commodities

An important issue for the Amica Group are the prices and availability of raw materials, mainly steel. The Group has no direct suppliers of components from high risk markets. Due to the potential discontinuation of supplies of raw materials from Russia and Ukraine, there may be temporary shortages in Europe, which could translate into further price increases and limited availability.

GENERAL INFORMATION

1. Information on the Parent Company

Amica Spółka Akcyjna Group ("Group") is composed of Amica Spółka Akcyjna ("Parent Company") and its subsidiaries (see Note 4). The Group's Consolidated Financial Statements cover the 12-month period ended 31 December, 2022 and contain comparative data for the 12-month period ended 31 December, 2021.

The Parent Company is entered in the Register of Entrepreneurs of the National Court Register maintained by the District Court in Poznań – Nowe Miasto and Wilda in Poznań, 9th Commercial Division of the National Court Register, under the number KRS 000017514.

The Parent Company has been awarded the business statistical number REGON 570107305. The Parent Company's shares are listed on the Warsaw Stock Exchange.

The Parent Company's registered office is at 52 Mickiewicza street, 64-510 Wronki. The Parent Company's registered office is also the primary place of business for the Capital Group.

The company is registered in Poland.

The registered office of the company is located in Poland.

The Amica S.A. Group is controlled by Holding Wronki S.A.

The registered office of the Parent Company is located at ul. Mickiewicza 52, 64-510 Wronki, Poland.

2. Composition of the Parent Company's Management Board and Supervisory Board

As at 31 December 2022, the **Management Board** of the parent company was composed of:

- Jacek Rutkowski – President of the Management Board
- Marcin Bilik – Vice-President of the Management Board for Operations, First Vice President of the Management Board
- Alina Jankowska-Brzóska – Vice-President of the Management Board for Trade and Marketing
- Michał Rakowski – Member of the Management Board for Finance and Human Resources
- Robert Stobiński – Member of the Management Board for Digitisation, Logistics and Goods Management.

No changes in the composition of the Management Board took place after the balance sheet date and until the approval of the consolidated financial statements.

As at 31 December, 2022, the **Supervisory Board** of the parent company was composed of:

- Tomasz Rynarzewski – Chairman of the Supervisory Board
- Paweł Małyska – Independent Member of the Supervisory Board (Vice-Chair of the Supervisory Board)
- Katarzyna Nagórko – Independent Member of the Supervisory Board
- Aleksandra Petryga – Member of the Supervisory Board
- Piotr Rutkowski – Member of the Supervisory Board
- Paweł Wyrzykowski – Member of the Supervisory Board

After the balance sheet date, there were no changes in the composition of the Supervisory Board.

3. Overview of the Group's Operations

The Group's core business is:

- Manufacture and sale of electric and gas-fired domestic appliances;
- Sale of home appliances;
- Provision of maintenance, hotel, and catering services;

More information of the business activities of the Group can be found in Note 11 on operating segments.

4.
Information on the Capital Group

The direct parent company of the Group is Holding Wronki sp. z o.o., which draws up consolidated financial statements not available for public use. The ultimate controlling party of the Group is Mr Jacek Rutkowski, who (being a natural person) is not obliged to prepare financial statements for public use (IAS.24.13).

Amica S.A. Capital Group includes the Parent Company and the following subsidiaries:

Entity	Company's registered office	Principal economic activity	Company's percentage share in the capital		Functional currency
			31 December 2022	31 December 2021	
Subsidiaries					
Amica International GmbH	Germany	commercial activities	100%	100%	EUR
Amica Commerce s.r.o.	The Czech Republic	commercial activities	100%	100%	CZK
Gram Domestic A/S	Denmark	commercial activities	100%	100%	DKK
Hansa OOO	Russia	commercial activities	100%	100%	RUB
Marcelin Management Sp. z o. o. [1][2][4]	Poland	Hospitality and catering, real estate management, manufacturing activities	100%	100%	PLN
Electrodomesticos Iberia S.L.	Spain	commercial activities	100%	100%	EUR
Nova Panorama Sp. z o.o.	Poland	real estate management	100%	100%	PLN
Nowe Centrum Sp. z o.o. [4]	Poland	real estate management	100%	100%	PLN
Stadion Poznań Sp. z o.o. [2]	Poland	real estate management	100%	n/a	PLN
Amica Handel i Marketing Sp. z o.o.	Poland	marketing and promotional services and commercial activity	100%	100%	PLN
Inteco Business Solutions Sp. z o.o. [3]	Poland	Consulting and IT services	100%	100%	PLN
Hansa Ukraina OOO	Ukraine	commercial activities	100%	100%	UAH
THE CDA GROUP LIMITED [5]	United Kingdom	commercial activities	100%	100%	GBP
Sideme S.A.	France	commercial activities	95%	95%	EUR
Hansa Central Asia TOO	Kazakhstan	commercial activities	100%	100%	KZT

As at 31 December 2022 and 31 December 2021, the share in the general number of voting rights held by the Parent Company in subsidiaries is equal to the Parent Company's share in the capital of these subsidiaries.

The Parent Company and of the consolidated companies of the Group have been established for an indefinite term.

Information on the equity allocated to non-controlling interest has been described in Note 29.3.

[1] The Company holds shares in Nowe Centrum Sp. z o. o., Nova Panorama Sp. z o. o. and Stadion Poznań Sp. z o.o.

[2] On 3 November, 2022, Stadion Poznań Sp. z o. o. was established whose activity is the rental and management of real property. On 22 November, 2022, Marcelin Management Sp. z o. o. purchased shares in Stadion Poznań Sp. z o. o.

[3] On 22 December, 2022, an agreement was concluded for the purchase by Amica S.A. of an organised part of the enterprise of Inteco Business Solutions Spółka z o.o. The subject of the agreement is a set of tangible and intangible assets intended for conducting business activity in the form of IT Support. As a result of the transaction, the Company (as the buyer) will have at its disposal the assets necessary to continue and independently conduct business of IT Support, which assets have been used so far in the course of operations of Inteco Business Solutions Spółka z o.o. As of 1 January, 2023, the seller (Inteco Business Solutions Spółka z o.o.) transfers the ZCP to the buyer (Amica S.A.).

[4] On 28 February, 2023, Marcelin Management sp. z o. o. sold shares in Nowe Centrum sp. z o. o.

[5] The company holds 100% of shares in companies C.D.A. Retail Limited and C.D.A. Distribution Limited located in Great Britain. As at 31 December 2022, the listed companies do not conduct operating activities and are suspended, and the balance sheet total does not exceed £1,000 (5,296 zł).

5.
Approval of the financial statement

The present financial statements prepared for the year ended 31 December 2022 (along with comparative data) were approved for publication by the Parent Company's Management Board on 30 March 2023.

6.
The basis for drawing up the consolidated financial statement

Amica Spółka Akcyjna Group ("Group") is composed of Amica Spółka Akcyjna ("Parent Company") and its subsidiaries (see Note 4). The Group's Consolidated Financial Statements cover the 12-month period ended 31 December, 2022 and contain comparative data for the 12-month period ended 31 December, 2021.

The Consolidated Financial Statements of the Group have been prepared in accordance with the International Financial Reporting Standards ("IFRSs"), as adopted by the European Union for annual periods beginning on or after 01 January 2022. As at the date of approval of these consolidated financial statements, taking into account the ongoing implementation of IFRS in the EU and the activities pursued by the Group, with regard to the accounting policies applied by the Group, the International Financial Reporting Standards differ from International Financial Reporting Standards adopted by the EU.

IFRS include standards and interpretations approved by the International Accounting Standards Board ("IASB") and by the International Financial Reporting Interpretations Committee ("IFRIC").

The consolidated financial statements include adjustments not disclosed in the Group's accounting books, presented in order to approximate financial statements of such entities with the IFRS. Other statements of the companies are prepared in accordance with the principles of the IFRS.

6.1.
Action continued

These consolidated financial statements have been prepared with the assumption that the Group would continue as a going concern in the foreseeable future. On the date of approval of these consolidated financial statements, there are no circumstances that could be regarded as a threat to the continued business operations of the Group companies.

6.2.
Basis for preparation

These Consolidated Financial Statements have been prepared under the historical cost convention, except for derivative financial instruments that are measured at fair value. The Group uses the direct consolidation method and has chosen the method of accounting for gains or losses on translation that is consistent with that method.

6.3.
Functional currency

The functional currency of the parent company and the presentation currency of these consolidated financial statements is Polish Złoty. Financial statements of foreign companies for the purpose of consolidation have been converted into Polish Złoty currency in accordance with the principles presented in the accounting policy below.

These consolidated financial statements are presented in million z ("mPLN"), unless otherwise indicated.

7. Significant values based on professional judgement and estimations

7.1. Professional judgement

In the process of applying the accounting principles (policy), the Management Board of the parent company made the following judgments that have the greatest impact on the reported carrying amounts of assets and liabilities.

Classification of leases

- **As a lessee**

1. **The Group performs an analysis of a given agreement in terms of recognizing leases. The Group treats a contract or an agreement as a lease if the following conditions are met:**

- The Group has the right to control the use of an identified asset over a given period of time in exchange for a fee
- The contract or agreement is longer than one year from the date of conclusion
- the asset is identified (the asset is not identified if the supplier has significant right to replace the asset)
- The Group has the right to virtually all economic benefits
- The Group determines how and for what purpose an asset is used or it is preordained.

2. **Lease term**

When determining the lease term, management takes into account all the facts and circumstances that are an economic incentive to exercise the option to extend the contract or not to exercise the option to terminate the contract. Periods with an option to extend contracts or with a notice period are taken into account when determining the lease term, if there is reasonable assurance that the contract will be extended or not terminated. Reassessment as to whether there is reasonable certainty that the Group will exercise the extension option or will not exercise the termination option takes place if a significant event or a significant change in circumstances affecting such an assessment occurs.

- **As a lessor**

The Group, as a lessor, analyses the contracts and assesses whether the contract transfers substantially all the risks and rewards of ownership of the leased asset. Then, based on the economic content of each transaction and its own judgment, the Group classifies it as operating or finance lease.

Assets from deferred tax assets and the uncertainty associated with the settlement of tax .

The Group recognizes deferred tax assets based on the assumption that future taxable income will allow for its use. This assumption is based on forecast results and historical analysis. A decrease in the tax result in the future could cause the whole or a part of the asset not to be realized. As regards assets related to SEZ, the number of employees is assessed in accordance with the assumptions made under the zone operation permit. The recognition of the deferred tax asset related to the license to operate in a special economic zone takes place at the time of assessing the probability that the conditions specified in the license will be met. Subsequent settlement of the carrying amount will reduce the amount of future tax payments.

The applicable tax regulations are subject to frequent changes, causing significant differences in their interpretation and significant doubts in their application. Determining tax liabilities as well as deferred tax assets and liabilities requires significant judgement, including with respect to transactions that have already occurred. Due to the above-mentioned legal regulations, the amounts of tax liabilities as well as deferred tax assets and provisions disclosed and presented in the financial statements may change in the future, as a result of tax authorities' inspections and in the case of a different assessment of events by the tax authority. Tax liabilities, deferred tax asset and deferred tax liability recognized in the consolidated financial statements have been determined based on the best available knowledge of the economic content of the events and tax regulations.

Fair market value of the financial instruments

The fair value of financial instruments, for which no active market exists, is determined using appropriate valuation techniques. The Group measures and assigns hedging items when choosing the appropriate methods and assumptions for the timing and high probability of the hedged item and the measurement of effectiveness.

When selecting the appropriate methods and assumptions, the Group companies rely on professional judgment.

The method for determining the fair value of financial instruments is disclosed in the Note 38.

Liabilities due to debt factoring

In the statement of financial position, the Group presents liabilities due to debt factoring. Factoring takes place when the Group submits selected invoices to the factor before the payment date. From a legal point of view, at the time of the transfer, Factor takes over the rights and obligations that are characteristic of commercial receivables. The International Financial Accounting Standards do not directly define debt factoring. In connection with no clear regulation of this item, the Group made significant judgment in the presentation of balances transferred to factoring in the statement of financial position and presenting transactions in the statement of cash flows.

Identifying the fulfilment of a performance obligation under IFRS 15

The Group recognizes revenue when the performance obligation is met by transferring the promised good to the customer. The asset is transferred when the customer obtains control of the asset. When assessing whether a customer obtains control over an asset, the Group uses its own judgment regarding the timing of the physical transfer of the asset to the customer.

Identification of reporting segments

The Group aggregates some operating segments in two ways, by combining the same product ranges and other operating segments that do not meet quantitative criteria. The Group follows its own judgment regarding the analysis of aggregation conditions and each situation is verified from the point of view of individual circumstances and facts.

7.2. Uncertainty of estimates and assumptions

Described below are basic assumptions concerning the future and other key sources of uncertainty occurring on the balance date, which are associated with major risks of significant adjustment to carrying amount of assets and liabilities in the next financial year. The Group has made assumptions and estimates about the future based on the knowledge acquired during the preparation of the consolidated financial statements. The existing assumptions and estimates may change as a result of future events due to changes in the market or changes that are beyond the control of the Group. Such changes are reflected in the estimates or assumptions at the time of occurrence.

Impairment loss of non-financial assets

For intangible assets with an indefinite useful life, an impairment test is carried out annually. The assumptions made in the tests performed are described in Note 22. In order to determine the value in use, the Management Board of the parent company estimates the forecast cash flows and the rate at which the flows are discounted to the current value. During the calculation of the current value of future flows, assumptions are made regarding the forecast financial results. These assumptions involve future events and circumstances. The values actually realised may differ from the estimates, which may contribute to significant adjustments of the value of the Group's assets in subsequent reporting periods.

The goodwill and trademarks were not impaired in the current period.

Measurement of provisions for employee benefits

Provisions for employee benefits were estimated by an actuary. The assumptions made for this purpose and the sensitivity analysis of the provision to the change in the discount rate are presented in Note 24.

An incentive scheme in the form of shares

The Company's Management Board analyses the recognition of the incentive scheme and its impact on the value of equity and the result. The Company applied the IFRS 2 standard – share-based payments to recognize the value arising from the model based on the Monte Carlo analysis. The Company estimated the provision for the incentive scheme, making its own judgment based on available and reliable information. The applied estimates may differ from the actual amounts due to the fact that one of the parameters that is taken into account in the calculation of this provision is the forecasted consolidated gross profit. As at 31 December 2022, no provision for the incentive programme was recognised.

Depreciation rates

The amount of depreciation rates is determined on the basis of the expected period of economic usability of fixed assets. The useful life depends on the intensity of use and the production characteristics of a given asset. The Group reviews the adopted useful economic lives based on current estimates annually. However, the actual useful lives may differ from the assumptions. The carrying amount of depreciable fixed assets is presented in Notes 18, 19, 21 and 22.

Lease discount rate

For the purposes of measuring the right to use the asset and the lease liability, the Group estimated the marginal interest rates on the debt.

Discount rates were determined based on the lessee's marginal rate as the sum of the following components:

- reference rate – different for individual subsidiaries,
- bank margin.

The lease-related values are presented in Note 19 to these consolidated financial statements.

Provisions for warranty repairs

The basis for estimating the provision for future warranty repairs are warranty period, historical unit cost of repair, estimated defectiveness of products, average share of the cost of the spare part in the cost of repair. Except for the warranty period, the value of the above-mentioned variables may change in future periods, simultaneously influencing the value of the provision. The Group reviews the adopted variables to reflect the Group's actual liability under the provision for warranty repair obligations. A change in the main ratio underlying the estimate of this provision, ie an increase in the estimated defectiveness of products by 0.5%, would increase the provision by 0.5 million zł.

Impairment loss of inventory

The Group verifies the inventory turnover and the difference in the book price and possible sales price of inventory as the balance sheet date and recognizes impairment loss, if any, according to internal rule on a quarterly basis. The assessment of possible impairment takes into account the level of sales i.e. the customers' current demand for the Group's goods and products.

Allowances for financial uncollectible accounts

The Group assesses the necessity to recognize allowances for uncollectible accounts. The Group uses an individual approach as well as an indicator approach. As at the balance sheet date, the amounts of impairment losses on receivables are analysed taking into account the provisions of IFRS 9. The change in estimated write-offs is presented in note 37.3. Credit risk of these consolidated financial statements.

8. Changes in standards or interpretations applied

New or amended standards and interpretations effective from 01 January 2022 and their impact on the consolidated financial statements of the Group:

Standard name	Effective Date	Impact on the Group's financial statements
Amendments to IFRS 3 "Business Combinations" – update of references to the Conceptual Framework	01 January 2022	The Group estimated that the change did not have a significant impact on its financial statements.
Amendments to IAS 16 "Property, plant and equipment" – revenues from products produced in the period of preparing property, plant and equipment for the commencement of operation	01 January 2022	The Group estimated that the change did not have a significant impact on its financial statements.
Annual amendment program 2018-2021 – the amendments clarify and clarify the guidelines of the recognition and measurement standards: IFRS 1 "First-time Adoption of International Financial Reporting Standards", IFRS 9 "Financial Instruments", IAS 41 "Agriculture" and to the illustrative examples of IFRS 16 "Leases"	01 January 2022	The Group estimated that the change did not have a significant impact on its financial statements.
Amendments to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" – Clarifications on the costs recognized in the analysis of whether the contract is an onerous contract	01 January 2022	The Group estimated that the change did not have a significant impact on its financial statements.

Published standards and interpretations that did not come into force for the periods beginning on 1 January, 2021 and their impact on the Group's consolidated financial statements:

Standard name	Effective Date	Impact on the Group's financial statements
IFRS 17 "Insurance Contracts" and amendments to IFRS 17	01 January 2023	The Group estimates that the change will not have a significant impact on its financial statements
Amendments to IAS 1 "Presentation of Financial Statements" – and IFRS Board Guidance on disclosures regarding accounting policies in practice – the issue of materiality in relation to accounting policies	01 January 2023	The Group has not yet completed the analysis of the impact of these changes on the financial statements.
Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" – definition of accounting estimates	01 January 2023	The Group estimates that the change will not affect its financial statements.
Amendments to IAS 12 "Income Tax" – obligation to recognize deferred income tax in connection with assets and liabilities arising in a single transaction	01 January 2023	The Group has not yet completed the analysis of the impact of these changes on the financial statements.
Amendments to IFRS 17 Insurance Contracts: First application of IFRS 17 and IFRS 9 – Comparative Information	01 January 2023	The Group estimates that the change will not affect its financial statements.
Amendments to IFRS 16 "Leases" – lease liabilities in sale and leaseback transactions	01 January 2024	The Group has not yet completed the analysis of the impact of these changes on the financial statements.
Amendments to IAS 1 "Presentation of financial statements" – classification of liabilities as short-term or long-term	01 January 2024	The Group has not yet completed the analysis of the impact of these changes on the financial statements.

Changes rejected or postponed by the EU (approved by the IASB for application after 1 January, 2016) that did not come into force for periods beginning 1 January, 2022 and their impact on the consolidated financial statements of the Group:

Standard name	Effective Date	Impact on the Group's financial statements
IFRS 14 "Regulatory Deferral Accounts"	Not applicable	The Group estimates that the change will have no impact on its financial statements
Amendments to IFRS 10 "Consolidated financial statements" and IAS 28 "Investments in associates" regarding the sale or transfer of assets between an investor and its associates or joint ventures	Not applicable	The Group estimates that the change will have no impact on its financial statements

9. Correction of an error from previous years

In the current reporting period, the Group corrected the error in the presentation of balances related to the settlement of receivables factoring transactions, identified in the consolidated financial statements of the Amica Group drawn up as at 31.12.2021.

As a result of incorrect allocation of the balances on the accounts intended for factoring records to individual balance sheet items, trade and other receivables as well as trade and other liabilities were overstated by 76.2 million zł.

The error was identified in the books of the French subsidiary Sideme SA, subject to consolidation and included in the consolidated financial statements of the Amica Group.

The error concerned only the consolidated financial statements for the year ended 31 December, 2021 and did not affect other reporting periods. Therefore, the presentation of the balance sheet as at 01.01.2021 was waived.

Detailed information on the correction made is presented in the adjacent table:

Restatements related to the statement of financial position

	31 December 2021 before restatement	Adjustment	31 December 2021 after restatement
ASSETS			
Current Assets	1,811.5	(76.2)	1,735.3
Receivables from deliveries and services and other receivables.	801.8	(76.2)	725.6
TOTAL ASSETS	**2,585.6**	**(76.2)**	**2,509.4**

	31 December 2021 before restatement	Adjustment	31 December 2021 after restatement
LIABILITIES			
Current liabilities	1,228.2	(76.2)	1,152.0
Liabilities from deliveries and services and other liabilities.	921.2	(76.2)	845.0
Total liabilities	1,442.7	(76.2)	1,366.5
TOTAL LIABILITIES	**2,585.6**	**(76.2)**	**2,509.4**

Restatements related to the statement of cash flows

	For the period of 12 months ended 31 December, 2021 before restatement	Adjustment	For the period of 12 months ended 31 December, 2021 after restatement
(Increase) / decrease in receivables	(113.0)	76.2	(36.8)
Increase/decrease in liabilities	183.9	(76.2)	107.7

10. Significant Accounting Policies

10.1. Presentation of financial statements

The Consolidated Financial Statements are presented in accordance with IAS 1.

The "Consolidated Statement of Comprehensive Income" is prepared by function, while the "Consolidated Cash Flow Statement" is prepared using the indirect method.

In the event of retrospective changes in the accounting policies, presentation or correction of errors, the Group presents the statement of financial position prepared additionally as at the beginning of the comparative period if these changes are material for the comparative data presented as at the beginning of the comparable period. In such a situation, the presentation of notes to the third statement of financial position is not required.

10.2. Operating segments

When distinguishing operating segments, the Management Board of the Parent Company follows the product lines that represent the main products and services provided by the Group. Each segment is managed separately within a given product line, due to the specific nature of the services provided and products manufactured requiring different technology, resources and approaches.

In accordance with IFRS 8, the results of operating segments are derived from internal reports periodically verified by the Parent Company's Management Board. The Parent Company's Management Board analyses the results of the operating segments at the operating profit (loss) level. The measurement of the results of operating segments used in management calculations is consistent with the accounting principles applied in the preparation of the consolidated financial statements, except for the following areas:

- impairment of assets – when determining the segment results, impairment losses on fixed assets, including goodwill, are not taken into account,

Revenue from agreements with customers disclosed in the consolidated statement of comprehensive income does not differ from the revenue presented under operating segments.

The Group's assets that are not directly attributable to the operations of a given operating segment are not allocated to assets of operating segments.

Detailed disclosures regarding operating segments are provided in Note 11 to these consolidated financial statements.

10.3. Principles of consolidation

The consolidated financial statement includes the financial statement of the parent company and the financial statements of its subsidiaries drawn up for the year ending 31 December 2022. The Group assesses whether it has control according to the definition in IFRS 10. As defined, an investor controls an investee when it is exposed to variable returns or when it has right to variable returns and has the ability to influence those returns by exercising power over the investee entity.

The financial statements of the parent company and the subsidiaries covered by the consolidated financial statement are prepared for the same balance day, i.e. 31 December. Where necessary, adjustments are made in the financial statements of subsidiaries to unify the accounting principles applied by the company with the principles applied by the Capital Group.

Companies whose financial statements are irrelevant from the point of view of the Group's consolidated financial statements can be excluded from consolidation. Investments in subsidiaries classified as intended for sale is recognised in accordance with IFRS 5.

Subsidiaries are consolidated by the full method.

Full consolidation consists of combining the financial statements of the Parent Company and the subsidiaries by totalling up the full value of individual assets, liabilities, equity, revenue and costs.

In order that the consolidated financial statements present financial information about the group as that of a single economic entity, the following steps are then taken

- goodwill or gain on a bargain purchase is recognized upon acquisition of the control in accordance with IFRS 3,
- minority shareholders are defined as non-controlling interests and presented separately,
- accounts of settlements between Companies in the Capital Group (revenue, costs, dividends) are completely excluded,
- profits and losses from transactions conducted within the Capital Group, recognised as inventory and fixed assets in the balance, are excluded. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.
- deferred tax from transient differences resulting from exclusion of profits and losses achieved in transactions concluded within the Capital Group (in accordance with IAS 12).

Non-controlling interests are shown in a separate item of equity capital and represent that part of the total income and net assets of the subsidiaries which are attributable to entities other than the companies of the Capital Group. The Group allocates the comprehensive income of the subsidiaries between the shareholders of the Parent Company and non-controlling entities based on their share in ownership.

Transactions with a minority shareholders, which do not result in loss of control by the Parent Company are treated by the Group as capital transactions.

- partial sale of shares to non-controlling entities — the difference between the sales price and the carrying amount of net assets of a subsidiary, attributable to the shares sold to the non-controlling entities, is recognized directly in equity under the retained earnings.
- acquisition of shares from non-controlling entities — the difference between the purchase price and the carrying amount of net assets acquired from non-controlling entities is recognized directly in equity, in the retained earnings.

10.4. Business Combinations

Business combinations covered by IFRS 3 are accounted for under the acquisition method.

On the acquisition date, the assets and liabilities of the acquiree are generally measured at fair value and, according to IFRS 3, assets and liabilities are identified, regardless of whether disclosed in the acquiree's financial statements prior to the acquisition.

The consideration paid in exchange for the control includes the assets, liabilities incurred and equity instruments issued, measured at fair value as at the acquisition date. An element of payment is also a contingent consideration, measured at fair value as at the acquisition date. The costs associated with the acquisition (consultancy, measurements etc.) do not represent a part of the acquisition consideration, but are recognized as the cost as of the acquisition date

Goodwill (profit) is calculated as the difference of the two values:

- sum of the consideration paid for non-controlling interest (measured in proportion to the net assets acquired) and the fair value of the interest (shares) held in the acquiree prior to the acquisition date; and
- the fair value of the identifiable net assets acquired.

The surplus of the sum calculated as above over the fair value of the identifiable net assets acquired is disclosed in the assets of the consolidated statement of financial position as goodwill. Goodwill is equivalent to payments made by the acquiring company in anticipation of future financial benefits arising from the assets which cannot be individually identified or quantified. After initial recognition goodwill is calculated according to purchase price reduced by total write-offs due to impairment loss.

If the above sum is lower than the fair value of the identifiable acquired net assets, the Group reassesses the identification and valuation of identifiable assets, liabilities and contingent liabilities of the acquiree and the cost of acquisition. If, after re-analysis, the purchase price is still lower than the fair value of the identifiable net assets acquired, the difference is immediately recognized in profit or loss. The Group includes profits from takeovers in the item other operating revenue.

10.5.

Fair value adjustment

The Group measures financial instruments and financial liabilities at fair value

Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in a transaction carried out in the ordinary conditions of sale of an asset between market participants at the measurement date in the current market conditions. A fair value measurement assumes that the sale of an asset or transfer a liability occurs either:

- on the principal market for the asset or liability,
- in the absence of a principal market, on the most advantageous market for the asset or liability.

Both the principal and the most advantageous market must be available to the Group.

The fair value of an asset or a liability is measured on the assumption that market participants, when determining the price of an asset or liability, act in their best economic interest.

The fair value of a non-financial asset takes into account the ability of a market participant to generate economic benefits through the biggest and best use of the asset or transfer to another market participant that would provide the greatest and best use of the asset.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to determine the fair value, with maximum use of relevant observable inputs and minimal use of unobservable inputs.

All assets and liabilities that are measured at fair value or their fair value is disclosed in the financial statements are classified in fair value hierarchy as described below based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** – Quoted (unadjusted) market prices on the active market for identical assets or liabilities,
- **Level 2** – Valuation techniques for which the lowest level of input that is significant to the fair value measurement as a whole is directly or indirectly observable,
- **Level 3** – Valuation techniques for which the lowest level of input that is significant to the fair value measurement as a whole is unobservable.

At each balance sheet date, for assets and liabilities existing at each balance sheet date in the financial statements, the Company assesses whether there have been any transfers between levels of the hierarchy by reassessing the classification of different levels, focusing on the significance of input data at the lowest level, which is essential for the fair value measurement as a whole.

Summary of significant accounting policies and procedures relating to the fair value measurement.

The Member of the Management Board for Finance and Human Resources defines the rules and procedures for valuation of derivatives at their fair value as of the balance sheet date. Valuation is performed by the Department of Financial Risk Management on a quarterly basis.

The results obtained are compared with the measurement of instruments provided by financial institutions, and in the case of significant differences, the clarification process is implemented. Each quarterly change in fair value of derivative instruments during existence of a derivative is recognized in the accounts.

For the purposes of the disclosure of the fair value measurement results, the Group has established classes of assets and liabilities based on the nature, characteristics and risks of particular components of assets and liabilities and the level in the fair value hierarchy as described above.

The Group recognizes the following financial liabilities at fair value (except for the derivatives described above):

- contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies. Such contingent consideration shall subsequently be measured at fair value with changes recognised in profit or loss.

10.6. Conversion of items expressed in foreign currencies

The resultant currency translation differences are recognised in the position of financial revenue (costs), or in situations subject to specific accounting principles, capitalised as the value of assets.

Monetary items

Transactions denominated in foreign currencies are initially recognized at the exchange rate of the functional currency as at the transaction date. At the end of the reporting period, monetary items in foreign currencies are converted:

- components of the statement of financial position, other than capital, are converted at the NBP exchange rate in force on that balance sheet date,
- the components of the statement of comprehensive income and the cash flow statement are translated at the average rate,
- capitals are converted at the historical rate.

Non-cash items

Non-cash assets and liabilities recognised as historical cost expressed in foreign currency are presented at historical currency exchange rate on the day the transaction is made.

Other

Assets and liabilities, except for equity components, are translated using the closing rate. The Companies' revenues and costs are translated at the weighted average exchange rate for the given accounting period, while the remaining components of equity are measured at the historical exchange rate as of the acquisition date of the consolidated entity's net assets. Currency translation differences from the conversion transactions are recognised under other total revenue and accumulated as a separate item of equity capital.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation are treated as assets and liabilities of the foreign operation and translated at the average exchange rate set forth for a given currency by the National Bank Polish as at the balance sheet date.

In order to hedge against the risk of changes in currency exchange rates, the Group uses currency derivative transactions – a detailed description is provided in Note 37.

10.7. Property, plant and equipment

Tangible assets are recognised at their purchase price or cost of production reduced by depreciation write-offs and write-offs due to the impairment loss. The initial value of fixed assets includes their purchase price increased by any costs directly associated with the purchase and adaptation of the asset to make it fit for use. This cost also includes the cost of replacement of machine or equipment components at the moment the costs are incurred, if recognition criteria are fulfilled. The costs incurred after the fixed assets are commissioned, such as costs of maintenance and repairs, debit the profit and loss account at the moment the costs are incurred. The Group does not separate components and therefore does not set different useful lives / depreciation periods for them.

The purchase price of property, plant and equipment provided by the customers is measured at their fair value at the date of taking over control thereof.

Depreciation is calculated using the linear method throughout the use period of a given asset component:

Type	Period (in years)
Buildings and structures	10–69
Machines and equipment	1–33
Means of transport	6–19
Computers	1–4
Leasehold improvements	2–10

The residual value, useful life and depreciation method are reviewed annually and, if necessary – adjusted with effect from the next financial year.

A fixed asset can be removed from the balance sheet when it is sold off or in the event when no economic benefits are expected from the continued use of such a fixed asset. All profits or losses resulting from the liquidation of a given asset from the balance sheet are recognized in the profit or loss of the period in which such removal took place. In the case of disposal through sale of a given asset, recognition is made in accordance with IFRS 15.

Investments in progress are related to fixed assets under construction or pending installation, and are carried at cost less any impairment losses. Fixed assets under construction are not depreciated until the construction is completed and they are made available for use.

10.8. Investment property

The initial recognition of investment properties is based on the purchase price, taking into account the transaction costs or the manufacturing cost. The carrying amount of investment property includes the cost of replacing components of an existing investment property at the time it is incurred, if the recognition criteria are met, and excludes the costs of the property maintenance.

After initial recognition of the value of investment property it is reduced by depreciation and write-offs due to impairment loss.

investment property is removed from the balance sheet when sold off or when a given investment property is permanently withdrawn from use, when no future benefits are expected from its sale. Any profits or losses resulting from the removal of investment property from the balance sheet are recognised in the profit and loss account for the period when such removal took place. In the case of disposal through sale of a given asset, recognition is made in accordance with IFRS 15.

Transfers of assets to investment property shall be made only when there is a change in the manner of their use, evidenced by ending the use of an asset by the owner or concluding of a lease agreement. If the asset is used by the owner – the Company, it becomes an investment property. The Group applies the principles described in the section property, plant and equipment until the day the method of using this property changes.

10.9. Fixed assets classified as held for sale

Fixed assets (groups of fixed assets) are classified by the Group as designated for sale if their balance will more likely be received from a sale transaction than from further use. That condition is met only if an asset (or a disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets, and its sale is highly probable within one year from the date of classification.

Assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Some fixed assets classified as designated for sale, such as financial deferred income tax assets are valued according to the same accounting principles as were applied by the Company before being classified as fixed assets designated for sale. Fixed assets classified as designated for sale are not subject to depreciation.

10.10. Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

An entity may use an intangible asset as an asset leased to another party under a lease, rental, or another similar arrangement, for use in return for payment or also for receipt of benefits, for a definite period. In such a situation, intangible assets are classified as fixed assets of one of the parties to the arrangement subject to the principles set out in IFRS 16, which apply both when the entity acts as the lessee (who accepts the assets for use) and when the entity leases out such assets for use by another entity.

As at the balance-sheet date, intangible assets are carried at cost less amortisation and impairment losses.

Intangible assets acquired separately or generated (if they meet criteria for development costs) are measured at initial recognition at the purchase price or at the cost of manufacture. The purchase price of intangible assets acquired by a transaction of a merger of business entities is equal to their fair value on the day of merger. Expenditure on intangible assets developed by the company, excluding capitalised expenditure on development work, is not capitalised and is recognised in the cost of that period and in which this expenditure was incurred.

The Group determines whether the useful life of intangible assets is finite or indefinite. Intangible assets with limited period of use are subject to depreciation throughout their use and tests for impairment loss if there are any circumstances which would suggest that impairment loss has occurred. The period and the method of calculating depreciation of intangible assets with limited period of use are verified at least at the end of each financial year. Changes in the expected useful life or the expected method of consumption of economic benefits arising from a given asset component are recognised as change of the period or the depreciation method and are treated as changes to estimated values. A depreciation write-off of intangible assets with a limited useful time is recognised in profit and loss account in the category which reflects the function of a given intangible assets component.

Intangible assets with an undefined useful time and those which are not in use are verified every year for possible impairment loss with relation to individual assets or to the cash generating centre.

A gain or loss on derecognition of an intangible asset is calculated as the net disposal proceeds minus the asset's carrying amount, and is recognised in the profit or according to IFRS 15.

Costs of research and development

Research costs are recognized under profit or loss, when incurred. Expenditures incurred for development works within the framework of a specific project are carried forward to the next period, if it can be deemed that they would be recovered in the future. After the initial recognition of the development expenditures, the historical cost model is applied requiring the assets to be recognized at the purchase price or manufacturing costs less any accumulated amortization and accumulated impairment losses. Capitalized expenditures are amortized over the expected period of obtaining revenue from the sale of the project.

Summary of principles applied to Group's tangible assets is as follows:

	Patents, licenses and trademarks	Costs development work	Computer software	Other – Copyright	Intangible assets being developed
Periods of use	Indefinite. For patents, licenses and trademarks used under an agreement concluded for a definite term, this term is assumed taking into account an additional term for which the use may be extended.	1—10 years	4—11 years	5 lat	–
Depreciation method used	Assets with an indefinite useful life are neither amortized nor revalued. They are amortized over the term of the contract (3-10 years) – with the linear method.	For 1-10 years with the linear method	For 4-11 years with the linear method	5 lat	–
Developed internally or purchased	Purchased	Developed internally	Purchased	Purchased	Purchased and developed internally
Impairment loss test	Indefinite useful life – annual test or if there are any indications of impairment. For the remaining – an annual assessment if there are any indications of impairment.	Annual test in the case of assets not commissioned for use and if there are any indications of impairment.	Annual test if there are reasons to believe that impairment loss has occurred.	Annual test if there are reasons to believe that impairment loss has occurred.	Annual test if there are reasons to believe that impairment loss has occurred.

The Group has designated patents and trademarks as assets with an indefinite useful life as there are no foreseeable limitations to the period over which these assets can be expected to generate net cash flows for the Group.

In case of R&D a gain or loss on derecognition of an intangible asset is calculated as the net disposal proceeds minus the asset's carrying amount, and is recognised in the profit or according to IFRS 15.

10.10.1. Borrowing costs

Borrowing costs are capitalized as part of the cost of a qualifying asset, ie fixed assets, investment property and intangible assets. Borrowing costs include interest calculated using the effective interest rate method .

10.10.2. Goodwill

Goodwill is initially recognized in accordance with IFRS 3 (see the subsection on business combinations above). Goodwill is not amortized, instead, an impairment test is performed annually in accordance with IAS 36 (see the subsection on impairment of non-financial fixed assets).

10.11. Lease

10.11.1. Group as a Lessee

For each agreement concluded from 1 January, 2019 or later, the Group decides whether the agreement is or includes leasing. Leasing is defined as an agreement or part of an agreement that delegates the right to control the use of an identified asset (underlying asset) for a given period in exchange for consideration. To this end, three basic aspects are analysed:

- whether the agreement relates to an identified asset that is either clearly specified in the agreement or implicitly when the asset is made available to the Group,
- whether the Group has the right to obtain substantially all economic benefits from the use of the asset over the entire useful life within the scope of the agreement,
- whether the Group has the right to manage the use of the identified asset over the entire useful life.

At the commencement date, the Group recognizes an asset under the right to use and a liability under the lease. The right of use is initially measured at the purchase price consisting of the initial value of the leasing liability, initial direct costs, an estimate of the costs anticipated in connection with the dismantling of the underlying asset and the leasing fees paid on or before the start date, less leasing incentives.

The Group depreciates right of use using the straight-line method from the start date until the end of the useful life period or until the end of the lease period, depending on which of these dates is earlier. If there are indications, the right of uses are tested for impairment in accordance with IAS 36.

As at the commencement date, the Group measures the lease liability at the present value of the remaining lease payments using the lease interest rate, if it can be easily determined. Otherwise, the lessee's marginal interest rate applies.

The leasing fees included in the value of the leasing liability consist of fixed leasing fees, variable leasing fees depending on the index or rate, amounts expected to be paid as a guaranteed residual value and payments for call options if their performance is reasonably certain.

In subsequent periods, the lease liability is reduced by repayments made and increased by accrued interest. The valuation of the lease liability is updated to reflect changes in the agreement and the reassessment of the lease period, exercise of the purchase option, guaranteed residual value or lease payments dependent on the index or rate. In principle, the revaluation of the liability is recognized as an adjustment to the asset due to the right of use.

The Group applies standardized practical solutions for short-term leases and leases in which the underlying asset is of low value. In relation to such agreements, instead of recognizing the assets due to the right to right of use and liabilities due to the leasing, the leasing fees are recognized in the result using the straight-line method during the leasing period.

10.11.2. The Group as a Lessor

The group (or subsidiaries) providing leasing services classify each of their leases as operating or finance leases. In order to classify and assign a lease, the content of the transaction is analysed, not the form of the agreement. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset. The lease is classified as an operating lease if the risks and rewards incidental to ownership of the underlying asset are not transferred .

Subleasing

The group acting as an intermediate lessor shall account for the main lease and the sublease as two separate agreements. The recognition and measurement of the main lease agreement, ie the recognition and measurement of the right to use the asset and the lease liabilities, is done in accordance with the principles set out above for lease agreements.

Leaseback

The Group did not reassess the sale and leaseback transactions concluded before the date of the first application of IFRS 16 to determine whether the transfer of assets constitutes a sale under IFRS 15.

The Group recognizes the sale and leaseback in the same way as any other finance lease that existed on the date of first application of IFRS 16 and continues to amortize profit on sale over the lease term.

If the sale transaction does not meet the performance obligation criteria in accordance with IFRS 15 and a sale cannot be recognized, the Group, as the seller and the lessee, continues to recognize the sold fixed asset and recognize a financial liability equal to the consideration received in accordance with IFRS 9.

10.12. Impairment of non-financial fixed assets

The following assets are tested for impairment annually:

- goodwill, whereas the first impairment test is performed before the end of the period in which the acquisition occurred),
- intangible assets with indefinite useful lives,
- intangible assets not yet available for use.

For other intangible assets and items of property, plant and equipment the entity assesses on an annual basis whether there is any indication that an asset may be impaired. If certain developments or circumstances indicate that the carrying amount of an asset may not be recoverable, the asset is tested for impairment.

For impairment testing, assets are grouped at the lowest level at which they generate cash flows independently of other assets or asset groups (cash-generating units). Assets which generate cash-flows independently from other assets are tested for impairment individually.

Goodwill is allocated to those cash-generating units that are expected to generate benefits from business combination synergies, whereas a cash generating unit shall be at least an operating segment.

If the carrying amount exceeds the estimated recoverable amount of assets or cash-generating units to which these assets belong, then the carrying amount is reduced to the recoverable amount. The recoverable amount shall be the higher of: the fair value less the costs to sell or the value in use. In determining value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is first assigned to goodwill. The remaining amount of the impairment loss reduces proportionally the carrying amount of assets attributable to the cash-generating unit.

Impairment losses are recognized in the profit and loss account under other operating expenses.

Impairment losses on goodwill are not reversed in subsequent periods. As far as other assets are concerned, as at subsequent balance-sheet dates, they are analysed for any indications for reversal of the impairment losses. Reversals of the impairment losses are recognized in the profit and loss account under other operating income.

10.13. Financial assets and liabilities and impairment loss

Financial assets

As at the acquisition date, the Group measures financial assets at their fair value i.e. most frequently at the fair value of the consideration paid. Transaction costs are included by the Group in the initial valuation of all financial assets, except for the assets measured at fair value through profit or loss. The exception to this rule are trade receivables, which are measured at their transaction price in accordance with IFRS 15, whereas this does not apply to the trade receivables with the payment period longer than one year and which include a significant financing component as defined in IFRS 15.

For the purpose of subsequent measurement, financial assets and liabilities are classified as:

- measured at amortized cost
- measured at fair value through profit or loss
- measured at fair value through other comprehensive income

These categories define the rules for measurement as at the balance sheet date and the recognition of revaluation gains or losses in profit or loss or in other comprehensive income. The Group classifies financial assets into categories based on the business model adopted by the Group for managing financial assets and contractual cash flows characteristic for a financial asset.

Valuation at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met (and were not designated at the time of initial recognition as measured at fair value through profit or loss):

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- The terms of the agreement for a financial asset give rise to cash flows on specified dates that are only payments of principal amount and interest on the outstanding principal amount.

Financial assets measured at amortized cost by the Group include:

- loans,
- trade receivables and other receivables (except for those for which IFRS 9 is not applicable),
- debt securities,
- cash.

The aforementioned classes of financial assets are presented in the consolidated statement of financial position, broken down into long-term and short-term assets under "Other long-term financial assets", "Trade receivables and other receivables", "Other financial assets" and "Cash and cash equivalents".

current receivables are calculated at the value requiring payment due to the insignificant effect of the discount.

Given insignificant amounts, the Group does not distinguish interest revenue as a separate item, but recognizes it in financial revenue.

Losses due to the impairment of financial assets are recognized by the Group in the result under "losses due to expected credit losses." Other gains and losses from financial assets recognized in the profit or loss, including exchange differences, are presented as financial revenue or costs.

Measurement at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The terms of the agreement for a financial asset give rise to cash flows on specified dates that are only payments of principal amount and interest on the outstanding principal amount.

Interest revenue, impairment gains and losses and exchange gains and losses related to these assets are measured and recognized in profit or loss in the same way as in the case of financial assets measured at amortized cost. Other changes in the fair value of these assets are recognized in other comprehensive income. On derecognition of a financial asset at fair value through other comprehensive income, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss.

Measure at fair value through profit or loss

A financial asset shall be measured at fair value through profit or loss if it does not satisfy the criteria for measurement at amortized cost or at fair value through other comprehensive income and is not an equity instrument designated at fair value through other comprehensive income upon initial recognition. In addition to this category, the Group classifies financial assets designated upon initial recognition for measurement at fair value through profit due to meeting the criteria set out in IFRS 9.

This category includes:

- all derivatives presented in the consolidated statement of financial position under a separate item "Financial derivatives", except for hedging derivatives recognized in accordance with the hedge accounting;

Instruments from this category are measured at fair value, and the effects of the measurement are recognized in the "Financial income" or "Financial expenses", as appropriate. Gains and losses on the measurement of financial assets are determined by a change in the fair value determined based on the active market prices as at the balance sheet date or using valuation techniques if an active market does not exist.

Equity instruments measured at fair value through other comprehensive income include investments in equity instruments other than financial assets held for trading or conditional payment in a business combination, in respect of which upon initial recognition, the Company made an irrevocable choice regarding presentation of subsequent changes in fair value of these instruments in other comprehensive income. The Group makes this choice individually and separately in relation to each equity instrument.

Cumulative gains or losses on the fair value measurement, previously measured through other comprehensive income, cannot be reclassified as profit or loss under any circumstances, including upon derecognition of such assets. Dividends from equity instruments classified in this category are recognized in the result in "Financial income" after meeting the conditions for recognizing dividend income, as specified in IFRS 9, unless the dividends obviously represent the recovered investment costs.

Financial assets classified into the categories measured at amortized cost and measured at fair value through other comprehensive income due to the business model and the nature of cash flows related to them are subject to assessment at each balance sheet date to account for expected credit losses, regardless of whether there is any indication of a loss. The method of making this assessment and estimating impairment losses is divided into two categories:

1. **Financial assets** – non-standard risk for which the write-off is made individually. Within this category, the Group allocates financial assets which:

- the customer's default is overdue for more than 180 days and there is a high probability that the debt will not be repaid – write-off for the entire value of the asset;
- debts are held by debtors in bankruptcy or liquidation – a write-down is made up to the amount of the debt not covered by the guarantee or other security

2. **Financial assets** – standard risk for which the write-off is made using the ratio method. The Group uses them for:

- receivables from supplies and services, where the risk of default is considered as a standard. The Group applies a simplified approach assuming the calculation of impairment allowances for expected credit losses for the entire life of the instrument. Impairment estimates are made on a collective basis, and receivables have been grouped according to the overdue period. An impairment estimate is based primarily on the historical overdue periods and the relationship between the amounts overdue and the actual repayments made over the last 7 years, taking into account the information available about the future, broken down by individual companies of the Capital Group.
- loans for which the Group has applied the three-component model as part of the expected credit loss allowance application:
  - A three-step ECL qualification model – expected credit loss,
  - Application of the internal rating adopted on the basis of data from external rating agencies;
  - Qualification of loans according to the adopted scoring model.
- With respect to other classes of assets – for instruments for which the increase in credit risk from the initial recognition was not significant or for which the risk is low – the Group assumes that default losses over the following 12 months shall be first recognised. If the increase in credit risk, from its initial recognition, is significant, losses corresponding to the entire life of the instrument are recognised.

Financial liabilities

Financial liabilities are disclosed in the following items of the consolidated statement of financial position:

- loans, borrowings and other debt instruments,
- liabilities due to leasing,
- Liabilities due to debt factoring
- liabilities from deliveries and services and other liabilities, and
- financial derivatives.

As at the acquisition date, the Group measures financial liabilities at their fair value i.e. most frequently at the fair value of the consideration received. Transaction costs are included by the Group in the initial valuation of all financial liabilities, except for the liabilities measured at fair value through profit or loss.

Valuation at amortized cost

After initial recognition, financial liabilities are measured at amortized cost using the effective interest method, except for financial liabilities held for trading or designated as measured at fair value through profit or loss. The Group classifies derivatives other than hedging instruments as financial liabilities at fair value through profit or loss.

Measurement at fair value through profit or loss

The financial liabilities measured at fair value through profit or loss include financial liabilities held for trading and financial liabilities initially classified as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of sale in the near future. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities may be, at the initial recognition, classified as measured at fair value through profit or loss, if the criteria set below are met:

- such a qualification eliminates or significantly reduces the treatment inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases, or
- the liability is part or a group of financial liabilities that is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management strategy, or
- when financial liabilities contain embedded derivatives that should be recognized separately.

The financial liabilities measured at fair value through profit or loss are measured at fair value taking into account their market value at the balance sheet date, without taking into account the transaction costs. Changes in the fair value of these instruments are recognized in profit or loss as financial revenue or expenses.

Other financial liabilities which are not financial instruments evaluated by their fair value in the financial result are evaluated by depreciated cost using effective interest rate method.

Gains and losses on the measurement of financial liabilities are recognized in profit or loss from financing activities.

current receivables for deliveries and services are calculated at the value requiring payment due to the insignificant effect of the discount.

The Group excludes a financial liability from its balance sheet only when this liability expires, i.e. when contractual obligation has been fulfilled, discontinued or has expired. Replacement of an existing debt instrument by an instrument subject to substantially different terms, between the same parties, is treated by the Group as the derecognition of the original liability and the recognition of a new liability. Similarly, significant modifications of the terms and conditions of a contract related to an existing financial liability is recognized as the derecognition of the original and the recognition of a new liability. The differences in the respective carrying amounts resulting from the change are recognized in profit or loss.

Hedge accounting

The Group applies prospectively the hedge accounting requirements set out in IFRS 9.

The Group applies specific accounting principles for derivatives used as cash flow hedges. Implementation of hedge accounting requires the Group to fulfil the conditions defined in IFRS 9 concerning documentation of the hedging policy, the possibility of hedged transactions taking place and the efficiency of the hedging.

The Group companies apply detailed principles of hedge accounting in accordance with the Amica Capital Group Currency Risk and Interest Rate Management Policy and Raw Material Price Management Policy (separate documents). The following principles form the general hedge accounting guidelines based on IFRS.

There are three types of relationships between a hedged item and a hedging instrument (i.e. hedging relationships):

a) (a) fair value hedge: a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment, or a component of any such item, that is attributable to a particular risk and could affect profit or loss.

b) (b) cash flow hedge: a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with all, or a component of, a recognised asset or liability (such as all or some future interest payments on variable-rate debt) or a highly probable forecast transaction, and could affect profit or loss.

c) hedge of a net investment in a foreign operation as defined in IAS 21. Hedges of net investment in foreign operations, including a hedge of a monetary item accounted for as a part of the net investment, are accounted for similarly to cash flow hedges. Gains or losses on the hedging instrument attributable to the effective portion of the hedge are recognized in other comprehensive income while any gains or losses relating to the ineffective portion of the hedge are recognized in profit or loss. On disposal of foreign operations, the amount of gains or losses recognized in other comprehensive income shall be reclassified from equity to profit or loss as a reclassification adjustment.

10.14. Inventory

Inventories are measured at the lower of the two values: the purchase price or the cost of manufacture and the realizable net selling price.

The purchase price or the cost of manufacture of an item of the inventories includes all costs of purchase, costs of processing and other costs incurred in bringing the inventories to their present location and condition – both for the current and previous years. Inventory is measured according to the following principles:

- Materials and raw materials – purchase price,
- Work in progress – at cost of manufacture
- Finished products and work in progress – at technical cost of manufacture,
- Goods – purchase price.

Manufacturing costs related to finished and semi-finished products include some fixed indirect costs. The remaining, unjustified part of indirect costs is charged to the costs of the period in which these costs were incurred. The division into the above – mentioned parts is based on the level of normal production capacity utilization. Normal Capacity is defined as the average level of production expected to attain over several periods under normal circumstances, taking into account the loss of capacity resulting from scheduled maintenance.

The outflow of finished goods is recognized using the weighted average actual cost of production method. The consumption of materials and goods is determined using the weighted average method.

In the event of circumstances resulting in a decrease in the value of inventories, a write-off of the value of inventories is made against other operating costs.

Obtainable net sales price is the estimated sales price established as a part of normal business reduced by the cost of finishing the product and estimated costs necessary to finalise the sales transaction.

10.15. Receivables from deliveries and services and other receivables.

Trade receivables include amounts due from customers for goods sold or services rendered in the ordinary course of business. Receivables due to deliveries and services are recognized initially at the provisions of IFRS 15, ie. in the amount of remuneration payable unconditionally, unless they contain important elements of financing (in this case, are recognized at fair value). The Group maintains receivables for deliveries and services in order to receive contractual cash flows, and in connection with this measures it after initial recognition at amortized cost using the effective interest rate and reduced by the write-down of losses. The description of the rules for recognizing an impairment loss is provided in Note 26 to these consolidated financial statements.

If the impact of time value of money is substantial, the receivables' value is defined by discounting the forecast future cash flow do the current value. Gross discount rate reflecting current market time value of money evaluation is used. If a discounting method had been used, the increase of receivables resulting from the passing of time is presented as financial revenue.

Other liabilities include, in particular, advance payments for future purchases of inventory and services.

Advances for the purchase of tangible fixed assets and intangible assets are presented in the balance sheet under property, plant and equipment and intangible assets. Advances are presented in accordance with the nature of the assets to which they refer – as fixed assets or current assets respectively. As non-monetary assets, advance payments are not subject to discounting.

Budget receivables are presented under other non-financial assets, excluding corporate income tax receivables, which are presented as a separate item in the balance sheet. Detailed information is provided in note 23.

10.16. Receivables from factoring

Trade receivables are recognized in the statement of financial position until repayment. In the event of concluding an agreement regarding the financing of receivables (factoring agreement), the cessation of the recognition of receivables takes place only when all significant risks related to the receivables are transferred to the financing party (factoring without recourse).

In a situation where, despite the payment of receivables by a third party, significant risks related to the receivables, including the risk of default, remain with the Group, the Group does not cease to recognize the receivables. Repayments received are then recognized as financial liabilities.

10.17. Cash and cash equivalents

Cash and current investments presented in the balance sheet include cash in bank accounts and in the cash register as well as current investments with an initial maturity date of not more than three months.

Pursuant to IFRS 9, impairment losses on cash and cash equivalents are established individually for each balance relating to a given financial institution. Bank's external ratings and publicly available information on default rates determined by external agencies are used to assess credit risk.

The analysis showed that these assets have a low credit risk as at the reporting date. The Group used the simplification allowed by the standard and the impairment loss was determined based on 12-month credit losses. The calculation of the write-off showed an insignificant amount of the write-off due to impairment.

10.18. Interest bearing bank loans, borrowings and debentures.

On initial recognition all bank loans, borrowings and debentures are formulated according to their fair value reduced by costs related to acquiring the loan.

After initial recognition debentures, bank loans and borrowings subject to interest are priced according to depreciated cost with the use of the effective interest rate method.

On defining the depreciated costs related to the acquisition of the loan as well as discounts and premiums obtained on settlement of the liability are taken into consideration.

Revenues and expenses are recognized in profit or loss on deletion of a liability from the balance sheet and as a result of recognition using the effective interest rate method.

In the case of modification of contractual terms which do not result in derecognition of an existing liability, the gain or loss is recognized immediately in profit or loss. The profit or loss is calculated as the difference between the present value of the modified and original cash flows, discounted using the original effective interest rate of the liability.

10.19. Liabilities from deliveries and services and other liabilities.

Trade and other financial liabilities are initially recognized at fair value, and subsequently they are carried at amortized cost, using the effective interest rate method. current receivables for deliveries and services are calculated at the value requiring payment due to the insignificant effect of the discount.

Other non-financial liabilities include in particular liabilities towards tax authorities on account of the goods and services tax, corporate income tax, personal income tax, social security liabilities and liabilities from advance payments received, which will be settled by the supply of products, goods, materials or services.

Other non-financial liabilities are recognized at the amount payable.

10.20. Liabilities due to debt factoring

In relation to certain suppliers, the Group uses debt factoring agreements ("supplier factoring"). In factoring of suppliers, a financial institution agrees to pay the Group's liabilities to suppliers, and the Group agrees to pay its liabilities to that financial institution at a later date than payment to suppliers takes place. Liabilities for deliveries and services are recognized only when liabilities:

- represent a commitment to pay for goods / materials or services,
- are invoiced and formally agreed with suppliers and
- – are part of the working capital used in the normal operating cycle of the Group.

Trade liabilities are reclassified to other liabilities after the payment is accepted by financial institutions that are party to factoring agreements, if in nature these liabilities differ from trade liabilities, e.g. they are additionally secured or their terms materially different from trade payables. Most of the trade liabilities of the suppliers that are factored meet these criteria. These liabilities are included in the item "liabilities due to debt factoring" and are measured in line with the measurement of financial liabilities.

The cash flows resulting from changes in trade payables are presented in operating activities, and the cash flows resulting from changes in factoring liabilities are presented in financial activities.

10.21. Equity capital

Equity includes in particular:

- share capital,
- Supplementary capital and other reserve capitals
- Exchange gain (loss) on consolidation
- retained earnings and undistributed profit.

The share capital in the consolidated financial statements is shown in the nominal value of the issued shares, in accordance with the Articles of Association of Amica SA, which is the parent company, and the entry in the National Court Register.

The Parent Company's shares acquired and held by the Parent Company or Subsidiaries reduce the equity. Own shares are valued with the purchase price

Capital from the sale of shares above their nominal value arises from the surplus of the issue price over the nominal value of shares, less the issue costs, and is recognized in other capitals.

The supplementary capital and other reserve capital item also includes:

- capital from recognition of measurement of share-based payment programs, and
- capital from the accumulation of other comprehensive income, including:
  - valuation of cash flow hedging instruments and net assets of a foreign entity (see subsection on hedge accounting),
  - share in other comprehensive income of entities accounted for using the equity method (see the section on investments in associates).
  - Revaluation reserve capital of a defined benefit plan

foreign exchange differences on translation of foreign subsidiaries (see the section on transactions in foreign currencies),

Retained earnings include the results from previous years (excluding those transferred to other capital items by resolutions of shareholders) and the financial result for the current year.

All the transactions with the owners of the Parent Company are presented separately in the Consolidated statement of changes in equity.

10.22. Provisions

The provisions are created when the Group has an obligation (legal or otherwise) resulting from past events or when it is probable that fulfilment of such obligation will cause outflow of economic benefits and the amount of such obligation can be reliably assessed. If the Group expects that costs covered by the reserve will be recovered, for instance pursuant to insurance policy, then such recoverable value is recognised as a separate asset component, but only when it is absolutely certain that the value will be indeed recovered. The expenses relating to specific provisions are presented in the statement of comprehensive income less of any reimbursements.

In the event that the influence of the value of money is significant at the time, the amount of provisions is established by discounting the expected future cash flow to the current value using the discount rate which reflects current market estimations concerning the value of money at the time and any risk which may be associated with the given liability. If a discounting method had been used, the increase of the reserve resulting from the passing of time is presented as a financial costs.

10.23. Employee benefits

Employee benefits disclosed in the consolidated financial statements include the following titles:

- Short-term employee benefits for remuneration (including bonuses) and social security contributions,
- provisions for unused holidays,
- Other long-term employee benefits and retirement bonuses

Under the Group's remuneration schemes, the Company's employees are entitled to retirement bonuses. Retirement packages are issued as a once-off payment at the time of retirement. The amount of pension benefits is dependent on the period of employment and the employee's average remuneration. The Group recognizes a provision for future liabilities for retirement bonuses to assign costs to the periods to which they relate. Pursuant to International Accounting Standard 19 retirement payments are specific benefits after termination of employment. The present value of these liabilities at each balance sheet date is calculated by the actuary. The accrued liabilities concern the period until the balance date and are equal to the discounted payments to be made in the future, taking into account the change of probability of payments. Demographic information and information on employment turnover is based on historical data. The effects of the valuation on future liabilities under retirement severance pays are recognized in profit or loss.

Re-measurement of liabilities due to employee benefits relating to defined benefit plans including actuarial gains and losses is recognized in other comprehensive income and is not subject to subsequent reclassification to profit or loss.

The Group recognizes the following changes in net liabilities due to defined benefit plans respectively within the own cost of sales, general and administrative expenses and the sales expenses, which include:

- the labour costs (including, among others, the current service costs, past service costs)
- net interest on the net liability for defined benefit plans.

10.24. Deferred charges and accruals

The Group discloses the prepaid expenses related to future reporting periods, including primarily property insurance premiums and rental fees, in the assets under " Deferred charges and accruals." Accruals are presented under the heading "receivables for supplies and services and other receivables."

"Deferred charges and accruals", under liabilities, include deferred income, including cash received for financing fixed assets that are accounted for in accordance with IAS 20 "Government Grants". Accrued expenses are recognized under "Trade and other payables".

Subsidies are only included if there is sufficient certainty that the Group will meet the conditions connected with the given subsidy and that the given subsidy will in fact be received.

A subsidy related to a given cost item is recognized as other revenue in a manner commensurate with the costs which the subsidy is intended to compensate.

A subsidy financing an asset is gradually recognized in the result as income over the periods, proportionally to the impairment losses recognized on that asset. For the presentation purposes, in the consolidated statement of financial position, the Group does not subtract subsidies from the carrying amount of assets, but shows subsidies as deferred income under "Accruals and deferred income".

The subsidy amounts included in deferred income are gradually charged to other operating revenue.

10.25. Share-based payments

The Group implements incentive schemes under which key members of the managerial staff are awarded warrants convertible into shares of the parent company. The Group measures share-based employee benefits at fair value using the Monte Carlo analysis model, which is based on certain assumptions and parameters.

The cost of the incentive scheme in equity is recognized in the item "capital from the revaluation of the incentive scheme." The settlement of the incentive scheme as at the date of taking up shares by employees is recognized in equity as a reduction of own shares and an adjustment to the item "capital from the revaluation of the incentive scheme."

10.26. Revenue from agreements with customers

The Group is required to recognize revenue based on the 5-step model with the following stages of analysis:

- Identify the contract(s) with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contracts;
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Identify the contract with the customer

The Group accounts for a contract with a customer only when all of the following criteria are met:

- the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;
- the Group can identify each party's rights regarding the goods or services to be transferred;
- the Group can identify the payment terms for the goods or services to be transferred;
- the contract has commercial substance (i.e. the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract); and
- it is probable that the Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Identify the performance obligations in the contract

At the time of conclusion of the agreement , the Company assesses the promised goods or services in the contract with the client and identifies as an obligation to perform the service any commitment to transfer to the customer a good or service (or a bundle of goods or services) that is distinct or a series of separate goods or services that are substantially the same and transferred to the customer in the same way.

A good or service is distinct if both of the following criteria are met:

- the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer and
- the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract.

Determine the transaction price

When determining the transaction price, the Group considers past customary business practices. The transaction price is the amount to which the Group expects to be entitled in exchange for the transfer of goods and services to the customer, excluding amounts collected on behalf of third parties. Consideration specified in a contract with a customer may include fixed amounts, variable amounts or both.

Allocate the transaction price to the performance obligations in the contracts

The Group allocates the transaction price to each performance obligation (or to a separate good or separate service) in the amount reflecting the consideration that is due, as expected by the Group Companies, in exchange for the transfer of the promised goods or services to the customer.

Revenue is recognized when a performance obligation is satisfied either over time, or at a point in time.

The Group recognises revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer. Sales revenues are recognized when control over products and goods is transferred, i.e. when the products or goods are released or delivered to buyers, depending on the terms of delivery in force with a given contractor.

The Group recognizes incremental costs of obtaining a contract provided that it expects to recover these costs in a period of 12 months or less from the moment they are incurred. Incremental costs that are not expected to be recovered and the costs expected to be recovered in a period of 12 months or less from being incurred are recognized as costs of the period.

The Group generates revenues from the sale of goods, which include its own manufactured products and purchased goods and materials, as well as revenues from the sale of services.

Detailed disclosures regarding sales revenues are provided in Note 12 to these consolidated financial statements.

10.26.1. revenue from rental (leasing and subleasing)

Revenue from rental of investment properties is recognized under IFRS 16 and is recognized on a straight-line basis over the rental period in relation to open agreements. Investment properties are rented to tenants under operating lease with monthly rent. Some agreements index the lease payments to the Consumer Price Index (CPI), while there are no other variable lease payments based on the index or rate.

10.26.2. Interest

Interest revenue is presented successively as it grows (with consideration of the effective interest rate method, which defines the discount rate for future cash revenue during the estimated financial instruments usage period) in relation to the balanced gross value of a given element of the financial assets.

10.27. Tax

10.27.1. Current income tax

Payables and receivables on account of the current tax for current and past periods are measured at the amounts expected to be paid to the tax authorities (recoverable from tax authorities) applying the tax rates and tax laws that are legally or substantively enacted at the balance sheet date.

10.27.2. Deferred tax

For financial reporting purposes, deferred tax is calculated using the liability method in respect of transient differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts disclosed in the financial statements.

A deferred tax liability is recognized in the amount of income tax payable in the future in connection with taxable transient differences.

- except when provision for deferred tax arises as a result of initial recognition of business value or initial recognition of the asset or liability during transaction not constituting a merger of business entities at the time of it taking place, which does not affect the gross profit, nor the taxable income or taxable loss, as well as
- in a case of transitional positive differences which arise as a result of investments into a subsidiary or associated company and participation in joint ventures – with the exception of cases when the transitional due dates are reversed and are subject to investor's audit and when it's probable that in the foreseeable future the transitional differences will not be reversed.

Taxable transient differences are transient differences that will result in taxable amounts in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled.

Deferred income tax assets are determined in the amount to be deducted from income tax in the future, due to negative transient differences, which will result in a reduction of the income tax base in the future and a deductible tax loss, as well as unused tax credits, determined taking into account the precautionary principle, taking into account the following points:

- except when assets from deferred taxes concerning negative transitional differences are created as a result of initial entry of the asset or liability at the time of the transaction, which does not constitute the merger of the business entities and at the time of it taking place and they do not have any effect on the gross financial result nor on the taxable income or loss.
- For negative transitional differences as a result of investments in a subsidiaries or affiliated entities as well as participation in joint ventures, the assets from deferred tax are presented on the statement of financial position only in the amount that is probable in the foreseeable future that the above mentioned transitional differences will reverse and such an income will be achieved, which will allow deduction of the negative transitional differences.

Deductible transient differences are transient differences that result in amounts that are deductible in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that taxable income sufficient for a partial or full realization of the deferred income tax asset will be achieved. An unrecognised deferred tax asset is re-assessed as at each balance sheet date, and recognised up to the amount which reflects the probability to derive in future such taxable income that will allow recovering the asset in question.

The asset from deferred income tax and provisions for deferred tax are valued using tax rates, which as per assumptions will be effective at the time, when the asset or reserve will be utilised, adopting tax rates as the basis (and tax legislation) effective as of the balance date or such rates (tax legislation), which is known to be effective in the future on the balance date.

The income tax on items registered outside profit and loss is recorded outside profit and loss: in other total income for items included in other total income or directly in the equity for items included directly in the equity.

The Company offsets deferred income tax assets against deferred income tax liabilities only and exclusively when it holds an enforceable title to offset receivables against current income tax liabilities, and when the deferred income tax is related to the same taxpayer and the same tax authority.

10.27.3. Goods and services tax (Value Added Tax)

Revenues, expenses, assets and liabilities are recognised net of the amount of value added tax except:

- where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case value added tax is recognised as part of acquisition price of the asset or as part of the expense item as applicable, or
- receivables and payables that are recognized taking into account the amount of tax on goods and services.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

10.28. Net profit per share

Net profit per share for each period is calculated by dividing the net profit for a given period by the number of shares occurring in a given reporting period minus the value of own shares and the number of dilutive shares under the incentive scheme.

For the purpose of calculating diluted earnings per share, an entity shall adjust the profit attributable to ordinary equity holders and the weighted average number of shares for the effects of all dilutive potential ordinary shares.

For the purpose of calculating diluted earnings per share, the number of ordinary shares shall be the weighted average number of ordinary shares plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares, including in particular shares issued as a result of incentive schemes).

11. Segments

Amica S.A. Group is a manufacturer and distributor of household appliances and its production activities are held in a single location in Wronki.

In accordance with IFRS 8 "Operating Segments," the Amica S.A. Capital Group, based on internal reports on the Group's operations, which are regularly reviewed by the Management Board, identifies operating segments.

The Capital Group has identified the following operating segments:
- Production of free-standing cookers,
- Production of built-in cookers and ovens,
- Production of built-in hobs,
- Trade in heating appliances,
- Trade in washing machines,
- Trade in refrigerators,
- Trade in microwave ovens,
- Trade in dishwashers,
- Trade in kitchen hoods,
- Trade in small household appliances,
- Other operating activities.

The segments have been distinguished taking into account the specificity of each of them. The operating segments related to trade in commodities have been aggregated to the "Commodities" reporting segment based on the aggregation criteria listed below. Other operating activities, due to the fact that they did not exceed the quantitative thresholds, are presented in the "Other" segment.

Business premises are the main criterion responsible for the aggregation of the "Goods" reporting segment. Accordingly , the main reasons for combining various product categories into a single "Goods" segment are:
- similar economic features, incl. this assortment is not produced by the factory in Wronki but purchased from external suppliers,
- the nature of the product and its end use,
- common commercial policy,
- similar methods used in the distribution of this assortment.

In connection with the above, the Capital Group divides its activities into the following reporting segments:
- Free-standing heating appliances – production of free-standing cookers,
- Built-in heating appliances – production of built-in cookers and ovens,
- Other heating appliances – production of built-in hobs,
- Goods – trade in washing machines, refrigerators, microwave ovens, dishwashers, hoods, small household appliances,
- Other – services (including space rental, maintenance services) and sale of spare parts and materials.

The Management Board separately monitors business segment results in order to determine the allocation of resources as well as assess the effects of this allocation and the financial performance. The basis for the assessment of performance is profit or loss on operating activities. Financing of the Group (including financial costs and revenue), certain operating expenses and income taxes are monitored at the Group level and are not allocated to the segments.

Consequently, the result on other activities and unallocated costs include other operating revenue and costs as well as general and administrative expenses which cannot be directly allocated to segments. They include, but are not limited to, costs of administrative departments, in particular remuneration, consulting services, IT costs (licenses, external services), costs of other operating activities such as social activities, compensation and losses due to expected credit losses.

Information on segments is measured according to the same principles as those presented in the accounting policy.

Operating segment revenues disclose net revenues from sales made to external customers. In the structure of the Group's recipients, there are no entities with which the turnover would exceed 10% of the total revenues.

Revenues and results attributable to individual operating segments for 2022 and for 2021 (million zł)

For the period of 12 months ended 31 December, 2022	Free-standing heating appliances	Built-in heating appliances	Other heating appliances	Goods	Other	Total
Revenue from agreements with customers	674.7	434.3	240.0	1,926.1	140.7	3,415.8
Own sales costs	544.9	337.0	161.4	1,526.2	102.2	2,671.7
Gross profit on sales	**129.8**	**97.3**	**78.6**	**399.9**	**38.5**	**744.1**
Gross profit on sales in %	**19.2%**	**22.4%**	**32.8%**	**20.8%**	**27.4%**	**21.8%**
Operating expenses allocated to the segment	109.8	82.8	53.4	327.5	–	573.5
Operating sector result	**20.0**	**14.5**	**25.2**	**72.4**	**38.5**	**170.6**
Operating result in the segment (%)	**3.0%**	**3.3%**	**10.5%**	**3.8%**	**27.4%**	**5.0%**
Result from other operating activities and non-allocated costs*						152.5
Profit on operating activities						**18.1**
Result from financial activities						(14.3)
Gross profit						**3.8**
Income tax						13.5
Net profit (loss)						**(9.7)**

For the period of 12 months ended 31 December, 2021	Free-standing heating appliances	Built-in heating appliances	Other heating appliances	Goods	Other	Total
Revenue from agreements with customers	810.4	509.3	277.0	1,702.6	134.6	3,433.9
Own sales costs	592.0	364.3	190.1	1,365.5	94.5	2,606.4
Gross profit on sales	**218.4**	**145.0**	**86.9**	**337.1**	**40.1**	**827.5**
Gross profit on sales in %	**26.9%**	**28.5%**	**31.4%**	**19.8%**	**29.8%**	**24.1%**
Operating expenses allocated to the segment	112.1	88.3	59.2	283.3	–	542.9
Operating sector result	**106.3**	**56.7**	**27.7**	**53.8**	**40.1**	**284.6**
Operating result in the segment (%)	**13.1%**	**11.1%**	**10.0%**	**3.2%**	**29.8%**	**8.3%**
Result from other operating activities and non-allocated costs*						134.7
Profit on operating activities						**149.9**
Result from financial activities						(5.0)
Gross profit						**144.9**
Income tax						33.7
Net profit						**111.2**

Due to the fact that the Group sells its products to around 70 countries, the individual countries are grouped into 5 main regions: Poland, East (mainly countries such as Russia, Ukraine, Lithuania, Latvia, Kazakhstan, Uzbekistan, Belarus etc.), West (Germany, France, Great Britain, Spain etc.), South (Czech Republic, Slovakia, Romania, Serbia, Greece etc.), North (Denmark, Sweden, Finland, Norway). Information on revenue is based on data on the registered offices of the Group's clients.

Breakdown of the Group's revenue by geographical area in millions of zł (geographical segmentation):

	For the period of 12 months ended 31 December, 2022	for the period of 12 months ended 31 December, 2021
Sale of products and goods	**3,275.1**	**3,293.8**
Poland	913.5	882.5
East	507.4	552.8
North	297.8	266.0
South	171.7	222.6
West	1,384.7	1,369.9
Other sales, including:	**140.7**	**140.1**
– spare parts and materials	91.7	104.6
– services	49.0	35.5
Total	**3,415.8**	**3,433.9**

The Group allocates geographically only those assets that are used by the body responsible for making operational decisions. Consequently, the assets of the individual segment are monitored only at the level of tangible fixed assets, while reconciliation of these items to their carrying amounts is presented in the tables below.

The body responsible for making decisions does not analyse the liabilities broken down into individual operating segments, therefore they have not been assigned to the appropriate segment position.

	31 December 2022		31 December 2021	
Geographic Information	Property, plant and equipment and right-of-use assets	Depreciation	Property, plant and equipment and right-of-use assets	Depreciation
Poland	487.4	50.0	470.8	45.1
France	22.4	2.8	23.9	2.4
United Kingdom	10.9	5.2	13.7	5.4
Other countries	10.0	4.1	10.3	4.6
Total	**530.7**	**62.1**	**518.7**	**57.5**

12. Revenue from agreements with customers

Title	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
Revenue from:		
Sale of products	1,349.0	1,595.9
Sale of goods	1,926.1	1,697.9
Sale of materials	36.6	45.6
Sale of spare parts	38.0	37.6
Sale of waste	17.1	21.4
Provision of services	49.0	35.5
Total	**3,415.8**	**3,433.9**

Sale of finished products, goods and materials, and provision of services

The Group generates revenues mainly from the sale of electric and gas household appliances. Other smaller streams of revenues are revenues from the sale of services and other products, including spare parts. The sale of finished products and goods takes place both to the wholesale and retail customers.

Sales revenue is only revenue from contracts with customers within the scope of IFRS 15. The Group recognizes revenue using the five-step model set out in the above-mentioned standard.

Revenues from the sale of products, goods, materials and services are recognized by the Group as a rule at a specific point in time. In most contracts, the moment of transferring control to the customer is the moment after the goods are delivered to the customer, which also includes the delivery of goods to the carrier or their substitution to the customer at a designated plant, in accordance with the applicable generally applicable Incoterms rules.

1. Agreement identification

The Group recognizes the agreement with the customer in accordance with the presented accounting principles, presented at the beginning of these consolidated financial statements in “Significant accounting principles.”

2. Identification of individual performance obligations

At the time of conclusion of the agreement , the Company assesses the promised goods or services in the contract with the client and identifies as an obligation to perform the service any commitment to transfer to the customer a good or service (or a bundle of goods or services) that is distinct or a series of separate goods or services that are substantially the same and transferred to the customer in the same way.

After-sales warranties

Warranties granted by the Group for the products sold are recognized in accordance with IAS 37 "Provisions, contingent liabilities and contingent assets.” The warranty conditions reflect only the assurance that the product sold to the customer complies with the specifics agreed by the parties. The standard warranty offered by the manufacturer is two years and is in line with the common market practice.

Some non-standard agreements with customers may include the so-called extended warranties. These can include:

- providing a free additional warranty for products sold from three to five years.
- sale of an additional warranty (from one year to three) outside the standard warranty period.

During the analysis of the value of the so-called extended warranty, decided that due to its small scale it would not recognize it as a separate service.

Training for employees of stores distributing products

The Group provides services to train employees of stores distributing products with information about the products offered by the Group. A separate service has not been identified due to the fact that the service cannot be purchased on the market and is an integrated element of the performed obligation.

Freebies

Group offers free giveaway, i.e. prepaid cards, kitchen utensils, home cleaning utensils in exchange for purchasing the Group's products The scale of possible free benefits was estimated and due to their immateriality, the Group decided not to recognize them as a separate service.

3. Determine the transaction price

When determining the transaction price, the Group considers past customary business practices. The transaction price is the amount to which the Group expects to be entitled in exchange for the transfer of goods and services to the customer, excluding amounts collected on behalf of third parties. Consideration specified in a contract with a customer may include fixed amounts, variable amounts or both.

A significant component of financing

The financing factor occurs if the agreement specifies longer payment terms and if the price for cash transactions differs from the price for transactions with an extended payment period. The Company decided not to adjust the promised amount of remuneration for the impact of a significant financing element, if at the time of concluding the agreement it expects that the period from the moment the promised good or service is handed over to the customer to the payment for the good or service by the customer will not exceed one year.

Return option

The Group has assessed the amount of probable amounts that will be returned to the Group. The Company applies a practical solution, according to which it does not make an adjustment for the impact of a significant financing component in the case of contracts with payment terms shorter than 1 year, therefore the return option was not included as a variable element when determining the transaction price.

Contractual penalties

contractual penalties constitute a variable element of remuneration. The Group assessed the probability of a penalty in connection with the delivery and decided that due to its immateriality, it would not consider this element as a variable when determining the transaction price.

Marketing activities

Marketing activities constitute a payment for activities undertaken by the recipient that do not relate to a specific product or assortment. The Group analysed the periods of rebates granted and the guidelines for granting rebates, and decided that payments for marketing activities performed by the Group's customers will reduce revenues within one reporting period.

4. **Allocate the transaction price to the performance obligations in the contracts**

The Group allocates the transaction price to each performance obligation (or to a separate good or separate service) in the amount reflecting the consideration that is due, as expected by the Group Companies, in exchange for the transfer of the promised goods or services to the customer.

5. **Revenue is recognized when a performance obligation is satisfied either over time, or at a point in time.**

The Group recognises revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.

The Group recognizes incremental costs of obtaining a contract provided that it expects to recover these costs in a period of 12 months or less from the moment they are incurred. Incremental costs that are not expected to be recovered and the costs expected to be recovered in a period of 12 months or less from being incurred are recognized as costs of the period. The incremental costs include the commissions of the Sales Department employees paid only in connection with obtaining of a contract. The costs are presented in accruals and are amortized using the straight-line method over the contract period.

13. Revenue and costs

13.1. Other operating revenue

	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
Government support for COVID-19	–	2.9
Free shipments	1.6	1.4
Compensation received, fines	3.0	1.6
dissolution of provisions	11.2	2.7
Settlements with the insurer	–	1.6
Grants	1.5	1.1
Other	1.7	0.9
Other operating revenue, total	**19.0**	**12.2**

13.2. Other operating costs

	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
Social activity (CSR)	3.1	3.0
Penalties and damages	3.2	3.7
Loss on sale of non-financial fixed assets	0.4	0.4
Costs related to termination of employment	0.3	0.1
Shortages and damage	2.0	1.6
Establishing provisions	1.6	–
Other	0.8	0.5
Other operating cost, total	**11.4**	**9.3**

13.3. Financial revenue

	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
Interest revenue	1.3	0.1
Revenue from derivatives	6.5	3.3
Revenue from exchange differences	63.8	15.1
Total financial revenue	**71.6**	**18.5**

13.4. Financial costs

	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
Interest on credit and loans	9.6	4.3
Interest on the bonds issued	5.1	1.3
Financial cost from factoring	18.1	2.0
Interest on other liabilities	0.5	0.1
Interest on leasing	2.9	1.6
Costs of derivatives	46.7	11.0
Other	3.0	3.2
Total financial costs	**85.9**	**23.5**

13.5. Costs by type

	Note	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
Depreciation	13.6.	69.6	65.9
Consumption of materials and energy		905.2	996.6
Outsourcing		300.3	285.3
Taxes and charges		4.1	2.3
Cost of employee benefits	13.7.	369.7	358.2
Other costs by type		184.3	195.4
Value of goods and materials sold		1,611.8	1,415.3
Total expenses by nature, including:		**3,445.0**	**3,319.0**
Items included in own cost of sales		2,671.7	2,606.4
Items included in cost of sales:		470.0	412.5
Items included in general and administrative expenses		261.7	269.8
Change in product inventory and cost of manufacture for own needs		(41.6)	(30.3)

13.6. Depreciation of fixed assets

Depreciation costs of fixed assets, intangible assets and right-of-use assets recognised:	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
in own cost of sales	32.3	30.0
in general administration costs	28.7	27.8
in costs od sales	8.6	8.1
Total depreciation costs	**69.6**	**65.9**

13.7. Cost of employee benefits

	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
Remuneration	299.4	291.9
Cost of Social Security contributions	52.6	49.5
Cost of retirement benefits	2.8	2.5
Expense under the share-based payments	(0.5)	(1.6)
Other cost of employee benefits	15.4	15.9
Total cost of employee benefits	**369.7**	**358.2**

14. Income tax

14.1. Tax burdens

Income tax recognized in profit or loss includes current and deferred tax. The current tax is calculated in accordance with the current tax law.

The main elements of the tax burden for the year ended 31 December 2022 and 31 December 2021 are as follows:

	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
Current income tax	12.8	13.9
Deferred tax	0.7	19.8
Comprehensive income tax [1]	**13.5**	**33.7**

14.2. Reconciliation of effective tax rate

Tax rates applied by the companies belonging to the Capital Group were as follows:

Country	tax rate
United Kingdom	19%
Poland	19%
Kazakhstan	20%
Germany	32%
France	28%
Denmark	22%
Russia	20%
Ukraine	18%
Spain	25%
The Czech Republic	19%

Reconciliation of income tax on gross profit before tax at the statutory tax rate, with income tax calculated at the effective tax rate of the Group for the current and comparative period is presented in the table below

	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
Gross profit	3.8	144.9
Tax rate – weighted average	21.50%	19.32%
Income tax at a weighted average rate	**0.8**	**28.0**
Income tax adjustments from:		
Deduction from income	0.2	–
Adjustment of the tax burden for previous periods	(4.2)	–
Non-taxable income	–	(0.9)
Costs that permanently are not tax-deductible	1.9	2.4
Unrecognised deferred tax asset	15.1	4.3
Other differences	(0.3)	0.1
Income tax [1]	**13.5**	**33.7**
Average tax rate applied	355.26%	23.26%

[1] due to the current income tax being charged to the results of some of the Group companies which achieved positive results in 2022, the effective tax rate was calculated at a level much higher than the weighted average rate.

14.3. Deferred income tax

Deferred income tax assets and provisions have the following impact on the consolidated financial result and other comprehensive income

Change in provisions for deferred tax in 2022

	As at 1 January, 2022	Debit / Credit		As at 31 December, 2022
		Financial result	Other comprehensive income	
Property, plant and equipment	15.9	(1.6)	–	14.3
Derivatives	9.7	(8.0)	(0.4)	1.3
Trademark	21.6	3.6	–	25.2
Other	3.4	(2.1)	–	1.3
Total	**50.6**	**(8.1)**	**(0.4)**	**42.1**

Change in assets for deferred tax in 2022

	As at 1 January, 2022	Debit / Credit		As at 31 December, 2022
		Financial result	Other comprehensive income	
Provisions	17.8	(4.2)	–	13.6
Write-offs for inventories	1.0	1.0	–	2.0
Margin elimination	5.7	0.2	–	5.9
Derivatives	–	–	1.7	1.7
Sales and marketing bonuses	14.0	(1.8)	–	12.2
Trademark	18.8	(2.7)	–	16.1
SEZ investment relief	18.0	(9.6)	–	8.4
Asset for tax loss	2.8	10.8	–	13.6
Discount	8.0	1.6	–	9.6
Other	5.4	(2.7)	–	2.7
Total	**91.5**	**(7.4)**	**1.7**	**85.8**

Change in provisions for deferred tax in 2021

	As at 1 January, 2021	Debit / Credit		As at 31 December, 2021
		Financial result	Other comprehensive income	
Property, plant and equipment	14.1	1.8	–	15.9
Derivatives	2.2	5.5	2.0	9.7
Trademark	20.6	1.0	–	21.6
Other	4.2	(0.8)	–	3.4
Total	**41.1**	**7.5**	**2.0**	**50.6**

Change in assets for deferred tax in 2021

	As at 1 January, 2021	Debit / Credit		As at 31 December, 2021
		Financial result	Other comprehensive income	
Provisions	16.4	1.4	–	17.8
Write-offs for inventories	1.3	(0.3)	–	1.0
Trademark	21.5	(2.7)	–	18.8
SEZ investment relief	32.2	(14.2)	–	18.0
Sales and marketing bonuses	15.9	(1.9)	–	14.0
Margin elimination	6.7	(1.0)	–	5.7
Asset for tax loss	–	2.8	–	2.8
Discount	5.6	2.4	–	8.0
Other	6.1	(1.0)	0.3	5.4
Total	**105.7**	**(14.5)**	**0.3**	**91.5**

A list of balance sheet items for which deferred tax has been created is presented below

	31 December 2022	31 December 2021
IAS depreciation and revaluation of fixed assets	14.3	15.9
Derivatives	1.3	9.7
Trademark	25.2	21.6
Other	1.3	3.4
Deferred tax liability	**42.1**	**50.6**

	31 December 2022	31 December 2021
Provisions	13.6	17.8
Write-offs for inventories	2.0	1.0
Margin elimination	5.9	5.7
Derivatives	1.7	–
Bonuses	12.2	14.0
Trademark	16.1	18.8
SEZ investment relief	8.4	18.0
Deferred tax asset on tax loss	13.6	2.8
Discount	9.6	8.0
Other	2.7	5.4
Deferred income tax asset	**85.8**	**91.5**
Per balance		
Deferred income tax asset	**59.9**	**62.4**
Deferred tax liability	**16.2**	**21.5**

The parent company operates in the Kostrzyn-Słubice Special Economic Zone. The parent company met the requirements set out in Permit No. 245 of April 8, 2014, which included, inter alia, achieving a minimum level of eligible expenses and maintaining a certain level of employment. As a result, the parent company created a deferred tax asset related to operations in the Special Economic Zone. The created tax asset expresses the current nominal value of the state aid granted to the Company in the form of exemption from income tax on activities carried out in the special economic zone of up to 40% of the investment costs eligible for aid.

The table below presents changes in the value of an asset for deferred tax in the Special Economic Zone

Title	Period	Amount
creation of an asset	31 December 2017	54.7
change of asset	year 2018	12.3
	year 2019	(0.1)
	year 2020	–
	year 2021	–
	year 2022	–
asset use	year 2018	(5.8)
	year 2019	(13.4)
	year 2020	(15.5)
	year 2021	(14.2)
	year 2022	(9.6)
asset value remaining to be used [1] [1]	31 December 2022	8.4

[1] The Parent Company may use the assets until 31.12.2026 in accordance with the Regulation of the Council of Ministers of 15.12.2008 on the Kostrzyn-Słubice special economic zone, § 1 sec. 3.

15. Assets and liabilities under the Company Social Benefits Fund

Company Social Provision Fund Act of 4 March 1994 with subsequent amendments states that Company Social Provision Fund is established by Polish employers with more than 20 full-time employees. The Parent Company and some domestic subsidiaries form such a fund and make periodic contributions in the amount of the basic allowance. The aim of the Fund is to finance social activities.

The Group excluded the assets and liabilities of the fund, since they did not comply with the definition of assets and liabilities of the Group.

The tables below show the analysis of assets, liabilities and expenses of the Fund.

	31 December 2022	31 December 2021
Cash	0.3	0.3
Fund liabilities	(0.4)	(0.5)
Off-set balance	**(0.1)**	**(0.2)**

	31 December 2022	31 December 2021
Impairment losses on the Fund in the accounting period	5.4	4.9

16. Profit per share

The basic profit per one share is calculated by dividing the net profit for the period allocated to the Group's ordinary shareholders by the weighted average number of issued ordinary shares appearing in the period.

In the future, the acquired treasury shares will be allocated to the settlement of the managerial compensation program.

The table below presents data on profit and shares that were used to calculate the profit per share:

	31 December 2022	31 December 2021
Number of ordinary shares issued (pcs)	7,775,273	7,775,273
Own shares (pcs.)	103,829	147,137
Number of shares after dilution adjustment (pcs)	7,671,444	7,628,136
Net profit (loss)	**(9.7)**	**111.2**
Basic earnings (loss) per share (PLN)	(1.26)	14.58
Diluted earnings (loss) per share (PLN)	**(1.26)**	**14.58**
Theoretical number of shares awarded (pcs)	–	42,605
Theoretical price at the end of the period	–	134.4
Average share price during the period (01.01 – 31.12)	83.7	146.8
Quantity at average market price (pcs)	–	290
Share price at the end of the period	75.8	113.0

17. Dividends paid out and proposed dividends

As at the date of publication of these statements, the Company has not made a decision on the distribution of the result for 2022. On 15 July, 2022, Amica S.A. paid a dividend for 2021 in the amount of 3.5 zł per share. The amount of the dividend per share in 2021 for 2020 is 6.0 zł.

18. Property, plant and equipment

As at 31 December, 2022	Land	Buildings and structures	Machinery and equipment	Means of transport	Other fixed assets	Property, plant and equipment in production	Advance payments for property, plant and equipment in production	Total fixed assets
Gross balance	5.3	303.9	341.0	22.8	160.5	13.8	28.1	875.4
Cumulative amortisation and write-downs	–	(87.2)	(207.8)	(15.0)	(110.4)	–	–	(420.4)
Net balance	**5.3**	**216.7**	**133.2**	**7.8**	**50.1**	**13.8**	**28.1**	**455.0**
As at 31 December, 2021								
Gross balance	5.3	275.1	322.6	22.1	151.5	7.0	32.9	816.5
Cumulative amortisation and write-downs	–	(78.7)	(191.0)	(13.5)	(98.8)	–	–	(382.0)
Net balance	**5.3**	**196.4**	**131.6**	**8.6**	**52.7**	**7.0**	**32.9**	**434.5**
For the period from 1 January to 31 December, 2022								
Net carrying amount as at 01.01.2022	**5.3**	**196.4**	**131.6**	**8.6**	**52.7**	**7.0**	**32.9**	**434.5**
Increases (acquisition, manufacture)	–	28.8	20.1	0.6	9.0	6.8	–	65.3
Decreases (sale, liquidation (-) transfer to fixed assets)	–	(1.1)	(5.4)	(3.7)	(0.7)	–	(4.8)	(15.7)
Depreciation in accordance with the depreciation plan (–)	–	(8.5)	(16.8)	(1.5)	(11.6)	–	–	(38.4)
Depreciation write-offs for liquidated or sold assets.	–	0.6	3.7	3.7	0.7	–	–	8.7
Exchange net gain (loss) (+/-)	–	0.5	–	0.1	–	–	–	0.6
Net carrying amount as at 31 December 2022	**5.3**	**216.7**	**133.2**	**7.8**	**50.1**	**13.8**	**28.1**	**455.0**
For the period from 1 January to 31 December, 2021								
Net carrying amount as at 01.01.2021	**5.3**	**185.6**	**125.5**	**6.8**	**54.5**	**3.1**	**9.8**	**390.6**
Increases (acquisition, manufacture)	–	18.8	22.8	3.3	10.1	3.9	23.1	82.0
Decreases (sale, liquidation (-) transfer to fixed assets)	–	–	(2.1)	(2.4)	(6.7)	–	–	(11.2)
Depreciation in accordance with the depreciation plan (–)	–	(7.9)	(15.5)	(1.4)	(10.9)	–	–	(35.7)
Depreciation write-offs for liquidated or sold assets.	–	–	1.0	2.3	5.7	–	–	9.0
Exchange net gain (loss) (+/-)	–	(0.1)	(0.1)	–	–	–	–	(0.2)
Net carrying amount as at 31 December 2021	**5.3**	**196.4**	**131.6**	**8.6**	**52.7**	**7.0**	**32.9**	**434.5**

Fixed assets with the carrying amount of **55.7 million zł** (**60.8 million zł** for the year ended 31 December 2021) are subject to a registered pledge to secure bank loans granted to the Group (Note 30).

As at 31 December, 2022, in connection with the concluded contracts, the Capital Group undertook to incur capital expenditures on property, plant and equipment in the amount of **14.8 million zł** (**16.3 million zł** on 31 December 2021). These amounts will be allocated for infrastructure development and upgrade of the cooker factory processes.

19. Assets due to the right of use and leasing liabilities.

and Right-of-use assets and the Group as a lessee

The Group is a party to, among others, the following lease agreements, considered under IFRS 16:

- leasing of office and warehouse space,
- leasing of the Fagor trademark,
- land leasing,
- computer hardware leasing,
- vehicle leasing.

The leasing agreements signed in 2022 and in previous years do not require the Group to meet any covenants.

Leasing instalments are in most cases based on a variable interest rate calculated on the basis of reference rates applied in the country in which a given subsidiary has its registered office.

List of right-of-use assets and lease liabilities in 2022 and in 2021

	Right of use							Liabilities from leasing agreements
	Land	Immovable property	Machinery and equipment	Means of transport	trademark [1]	Other	Total	
Net carrying amount as at 01.01.2022	**6.4**	**23.9**	**21.1**	**9.6**	**20.9**	**2.3**	**84.2**	**75.3**
Conclusion of new agreements	–	0.7	7.5	6.4	–	1.1	15.7	15.7
Changes and modifications	–	(0.1)	–	(0.4)	(0.1)	–	(0.6)	(0.3)
Depreciation	(0.1)	(6.1)	(9.6)	(5.7)	(1.6)	(0.6)	(23.7)	–
Payment of lease	–	–	–	–	–	–	–	(27.8)
Accrued interest	–	–	–	–	–	–	–	2.9
Currency translation differences	–	0.3	(0.1)	(0.2)	0.1	–	0.1	0.4
Net carrying amount as at 31 December 2022	**6.3**	**18.7**	**18.9**	**9.7**	**19.3**	**2.8**	**75.7**	**66.2**

	Right of use							Liabilities from leasing agreements
	Land	Immovable property	Machinery and equipment	Means of transport	Trademark	Other	Total	
Net carrying amount as at 01.01.2021	**6.5**	**27.9**	**11.2**	**8.6**	**22.6**	**1.6**	**78.4**	**69.6**
Conclusion of new agreements	–	1.9	17.7	5.8	–	1.1	26.5	26.5
Changes and modifications	–	(0.3)	–	–	–	–	(0.3)	(0.3)
Depreciation	(0.1)	(6.5)	(7.6)	(5.6)	(1.6)	(0.4)	(21.8)	–
Payment of lease	–	–	–	–	–	–	–	(23.8)
Accrued interest	–	–	–	–	–	–	–	1.6
Currency translation differences	–	0.9	(0.2)	0.8	(0.1)	–	1.4	1.7
Net carrying amount as at 31 December 2021	**6.4**	**23.9**	**21.1**	**9.6**	**20.9**	**2.3**	**84.2**	**75.3**

The lease payment schedule as at 31 December, 2022 and the comparable period are presented below:

Aging of leasing liabilities	31 December 2022	31 December 2021
up to 12 months	27.7	25.6
from 1 to 5 years	31.1	40.9
more than 5 years	7.4	8.8
Total	**66.2**	**75.3**

The Group does not recognize liabilities under short-term leases and leases in respect of which the underlying asset is of low value. Leasing costs not included in the calculation of the value of leasing liabilities amounted to:

- short-term lease costs – 1.7 million zł as at 31 December, 2022;
- costs of low-price leases – 0.3 million zł as at 31 December, 2022;
- short-term lease costs – 1.7 million zł as at 31 December, 2021;

[1] The right to use results from the license agreement authorising Amica S.A. to use the "Fagor" trademark. Details regarding the conclusion of the agreement were presented in the consolidated financial statements for 2019.

b) The Group as a Lessor

- **Operating lease**

The Group concluded lease agreements under which substantially all the risks and rewards incidental to ownership of the leased asset are not transferred, and therefore classified them as operating lease agreements.

	31 December 2022	31 December 2021
Rental income from investment property	5.2	3.8
Direct operating expenses related to investment property	5.3	4.1

The values of the minimum lease payments for operating leases for contracts in which the Group acts as a lessor amounted to respectively

	31 December 2022	31 December 2021
Payable up to 1 year	6.3	5.2
Payable between 1 and 5 years	15.3	3.5
Payable over 5 years	6.5	1.9
Total	**28.1**	**10.6**

Agreements with tenants are concluded for a definite as well as an indefinite period. Usually, agreements contain clauses that may be terminated by each of the parties to the agreements, within the contractual period not exceeding 3 months or 6 months.

The investment property leased out under operating lease is presented in Note 21 to these consolidated financial statements.

20. Assets classified as designated for sale

As at 21 December, 2021, the Management Board of the Parent Company decided to classify real estate and land in Gorzów Wielkopolski as assets held for sale. The analysis of the criteria set out in paragraphs 7-9 of IFRS 5 made it necessary to change the presentation.

The value of non-current assets classified as held for sale as at 31 December, 2022 was **10.1 million zł.**

On 28 February, 2023, Marcelin Management sp. z o. o. sold shares in Nowe Centrum sp. z o. o. Details of the transaction are presented in note 42 “Events after the balance sheet date.”

21. Investment property

The investment properties include the Shopping centre located in Gorzów Wielkopolski:

The change in the carrying amount in the reporting period is as follows:

	31 December 2022	31 December 2021
Gross Value	**45.5**	**58.4**
Revaluation write-down	(21.5)	(21.5)
Redemption	(10.6)	(11.9)
Opening balance as at 01 January	**13.4**	**25.0**
Changes:		
– capitalised expenditure	0.2	–
– reclassified as assets available for sale	–	(10.1)
– other – depreciation	(1.3)	(1.5)
Closing balance as at 31 December	**12.3**	**13.4**

In the current reporting period, the Management Board of the parent company assessed the impairment of the investment property. In line with the analysis, there are no indications that this asset may be impaired.

22. Intangible assets

As at 31 December, 2022	Trademarks	Patents and licenses	Computer software	Cost of completed development work	Other intangible assets	Intangible assets being developed	Advance payments for intangible assets	Total intangible assets
Gross balance	109.4	20.7	28.0	24.2	11.4	12.0	11.3	217.0
Cumulative amortisation and write-downs	(17.0)	(14.9)	(12.6)	(19.1)	(11.1)	–	–	(74.7)
Net balance	**92.4**	**5.8**	**15.4**	**5.1**	**0.3**	**12.0**	**11.3**	**142.3**

As at 31 December, 2021								
Gross balance	111.0	20.2	20.8	22.3	11.3	10.0	0.6	196.2
Cumulative amortisation and write-downs	(17.0)	(13.1)	(10.3)	(17.1)	(11.0)	–	–	(68.5)
Net balance	**94.0**	**7.1**	**10.5**	**5.2**	**0.3**	**10.0**	**0.6**	**127.7**

For the period from 1 January to 31 December, 2022	Trademarks	Patents and licenses	Computer software	Cost of completed development work	Other intangible assets	Intangible assets being developed	Advance payments for intangible assets	Total intangible assets
Net carrying amount as at 01 January 2022	**94.0**	**7.1**	**10.5**	**5.2**	**0.3**	**10.0**	**0.6**	**127.7**
Increases (acquisition, manufacture)	–	0.5	7.0	1.9	0.1	2.0	10.7	22.2
Depreciation in accordance with the depreciation plan (–)	–	(1.8)	(2.3)	(2.0)	(0.1)	–	–	(6.2)
Exchange net gain (loss) (+/-)	(1.6)	–	0.2	–	–	–	–	(1.4)
Net carrying amount as at 31 December 2022	**92.4**	**5.8**	**15.4**	**5.1**	**0.3**	**12.0**	**11.3**	**142.3**

For the period from 1 January to 31 December, 2021	Trademarks	Patents and licenses	Computer software	Cost of completed development work	Other intangible assets	Intangible assets being developed	Advance payments for intangible assets	Total intangible assets
Net carrying amount as at 01 January 2021	**89.9**	**5.4**	**4.7**	**7.1**	**1.0**	**7.4**	**–**	**115.5**
Increases (acquisition, manufacture)	–	3.6	7.4	0.9	–	2.6	0.6	15.1
Depreciation in accordance with the depreciation plan (–)	–	(1.9)	(1.5)	(2.8)	(0.7)	–	–	(6.9)
Exchange net gain (loss) (+/-)	4.1	–	(0.1)	–	–	–	–	4.0
Net carrying amount as at 31 December 2021	**94.0**	**7.1**	**10.5**	**5.2**	**0.3**	**10.0**	**0.6**	**127.7**

The Group has no hedges on intangible assets. As at the balance sheet date, the Group had no contractual liabilities related to the acquisition of intangible assets.

There were also no grounds for impairment of the assets presented.

Trademarks

Trademarks are presented by the Group as part of intangible assets. The Group recognizes that there is no foreseeable limitation of the period in which it can expect benefits from a given asset, therefore it was assumed that the useful life of trademarks is indefinite and they are not amortized.

In the framework of listed companies the Group identified the following trademarks:
- Sideme S.A. – Caviss, Curtiss, Le chai,
- The CDA Group – CDA, Matrix,
- Gram Domestic A/S – Gram.

The carrying amounts of the trademarks as at 31 December, 2022 and 31 December, 2021 were as follows:

	Sideme S.A.	The CDA Group	Gram Domestic A/S	Total
Gross value as at 01.01.2022	**24.0**	**61.9**	**8.1**	**94.0**
Changes in exchange rate differences	0.3	(2.1)	0.2	(1.6)
Wartość brutto na dzień 31 grudnia 2022	**24.3**	**59.8**	**8.3**	**92.4**

	Sideme S.A.	The CDA Group	Gram Domestic A/S	Total
Gross value as at 01.01.2021	**23.8**	**58.0**	**8.1**	**89.9**
Changes in exchange rate differences	0.2	3.9	–	4.1
Gross value as at 31.12.2021	**24.0**	**61.9**	**8.1**	**94.0**

The Group conducts an annual trademark impairment test.

Presented below is the basic information on the tests carried out for individual trademarks within the Companies that use these trademarks:

	Sideme S.A.	THE CDA Group	Gram Domestic A/S
Impairment loss	none	none	none
Book value (million zł)	24.3	59.8	8.3
Discount Rate	10.12%	9.80%	7.35%
Growth rate after the forecast period	2%	1%	1%
License fee rate	3.74%–4.48%	n/a	n/a

Key assumptions used to calculate the value in use

The calculation of value-in-use for the aforesaid cash generating units is most sensitive to the following variables:

- EBITDA – based on average budgeted values to be achieved over a 5-year period,
- Discount rates – Reflects management's assessment of the risks specific to each unit. This is an indicator used by the management to assess the effectiveness of operating (performance) and future investment proposals.
- license fee rate – based on sectoral comparisons, taking into account the industry brand strength,
- growth rate – based on management estimates based on market data.

Sensitivity to changes in assumptions

As regards the above-mentioned estimate of value in use of assets, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

The table below presents an analysis of sensitivity to a change of the basic parameters used in the performed impairment tests for the above assets

	Sideme S.A.	THE CDA Group	Gram Domestic A/S
Change in the discount rate by +1% / – 1%	none	none	none
Change in the value of forecast EBITDA by +5% / – 5%	none	none	none
Change in the pace of growth after the forecast period by +0.5% / – 0.5%	none	none	none

In the previous reporting period, the Group also did not identify any premises for impairment of the asset related to trademarks.

Goodwill

Goodwill created as a result of business combination and was assigned to the group of cash-generating units corresponding to the overall activity of the acquired entities. The adopted approach is the most natural way to allocate the goodwill and is in line with the direction of management analysis at the Group level.

	31 December 2022	31 December 2021
Gram Domestic A/S	8.3	8.2
Amica International GmbH	12.2	12.0
THE CDA Group Ltd.	19.0	19.7
Amica Handel i Marketing Sp. z o.o.	0.1	0.1
Marcelin Management Sp. z o.o.	4.2	4.2
Total carrying amount	**43.8**	**44.2**

In the period ended 31 December 2022 and 31 December 2021, the following changes in goodwill took place:

	31 December 2022	31 December 2021
Goodwill at the beginning of the period	**44.2**	**43.0**
Exchange gain (loss) on consolidation	(0.4)	1.2
Carrying value at the end of the period	**43.8**	**44.2**

Goodwill impairment tests

Basic information on the tests performed for each CGU is presented below.

	Gram Domestic A/S	Amica International GmbH	THE CDA Group	Marcelin Management Sp. z o.o.
Impairment loss	none	none	none	none
Book value (million zł)	8.3	12.2	19.0	4.2
Discount Rate	7.35%	7.40%	9.80%	10.11%
Growth rate after the forecast period	1%	1%	1%	1%

Due to immateriality, premises for impairment of goodwill of Amica Handel i Marketing Sp. z o.o. are not analysed.

Key assumptions used to calculate the value in use

The calculation of value-in-use for the aforesaid cash generating units is most sensitive to the following variables:

- EBITDA – based on average budgeted values to be achieved over a 5-year period,
- Discount rates – Reflects management's assessment of the risks specific to each unit. This is an indicator used by the management to assess the effectiveness of operating (performance) and future investment proposals.
- growth rate – based on published management estimates based on market data.

Sensitivity to changes in assumptions

As regards the above-mentioned estimate of value in use of assets, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

The table below presents an analysis of sensitivity to a change of the basic parameters used in the performed impairment tests for the above assets

	Premises for impairment			
	Gram Domestic A/S	Amica International GmbH	THE CDA Group	Marcelin Management Sp. z o.o.
Change in the discount rate by +1% / – 1%	none	none	none	none
Change in the value of forecast EBITDA by +5% / – 5%	none	none	none	none
Change in the pace of growth after the forecast period by +0.5% / – 0.5%	none	none	none	none

In the previous reporting period, the Group also did not identify any premises for impairment of an asset related to goodwill.

23. Other non-financial assets

	31 December 2022	31 December 2021
Budget receivables	34.5	47.4
Advances for inventories	2.2	2.6
Deferred charges and accruals	13.7	14.8
Total	**50.4**	**64.8**
– current	50.4	64.8

24. Employee benefits

24.1. Pensions and other post-employment benefits

Entities of the Group pay retirement bonuses to the retiring employees in the amount specified in the Labour Code or individually under the schemes combining life insurance and pension programmes.

Therefore, some companies of the Group, based on actuarial valuation, create a provision for the present value of liabilities due to retirement benefits. The summary of benefits, the amount of the provision and reconciliation presenting changes in the balance during the accounting period are presented in the table below:

Provisions for retirement benefits	31 December 2022	31 December 2021
Opening balance as at 1 January	**11.4**	**13.3**
Costs of present and future employment	(1.0)	–
Actuary profits and losses	(3.9)	(1.9)
Closing balance as at 31 December	**6.5**	**11.4**

Key assumptions adopted for the valuation of employee benefits as at the reporting date are as follows:

	31 December 2022	31 December 2021
Discount Rate (%)	2.0% – 6.87%	0.90% – 3.41%
Expected inflation rate (%)	2.0% – 13.2%	2.0% – 5.2%
Predicted salary increase factor (%)	0.0% – 4.5%	0.0% – 5.0%

Sensitivity analysis

Change of the adopted discount rate by one percentage point:

	1 pp increase	1 pp decrease
31 December 2022		
Effect on the aggregate current service cost and interest cost	(0.8)	0.5
Impact on the liabilities under the defined benefit plan	(0.8)	0.5
31 December 2021		
Effect on the aggregate current service cost and interest cost	(1.2)	1.3
Impact on the liabilities under the defined benefit plan	(1.2)	1.3

Change of the probability of payment of employee benefits by 10 percentage points with other factors unchanged:

	10 pp increase	10 pp decrease
31 December 2022		
Effect on the aggregate current service cost and interest cost	0.5	(0.5)
Impact on the liabilities under the defined benefit plan	0.5	(0.5)
31 December 2021		
Effect on the aggregate current service cost and interest cost	0.7	(0.7)
Impact on the liabilities under the defined benefit plan	0.7	(0.7)

25. Inventory

The following inventory items are included in the consolidated financial statements of the Capital Group:

	31 December 2022	31 December 2021
Materials:		
At the purchase price	84.1	80.4
According to recoverable net value	81.9	78.9
Work in progress (at the cost of manufacture)	14.7	9.5
Finished goods:		
By production costs	128.8	124.6
According to recoverable net value	125.3	123.2
Goods:		
At the purchase price	425.9	594.1
According to recoverable net value	412.0	580.7
Spare parts	19.6	19.3
Total value of inventories	**653.5**	**811.6**

As at 31 December 2022, the Company recognized a write-down on inventory to the recoverable net amount of **19.6 million zł** (**16.3 million zł** in 2021). Revaluation of inventory was related to materials, finished products and goods and resulted from the policy of creating impairment losses on inventory, based on turnover ratios.

In 2022, **3.3 million zł** was recognized as an expense in the result (in 2021: **3.0 million zł** as an expense).

As at 31 December, 2022, the Group's financial liabilities were secured with inventories worth **125.4 million zł** (in 2021: **153.2 million zł**)

26. Receivables from deliveries and services and other receivables.

Trade receivables and other receivables recognised by the Group as receivables and loans are as follows:

	31 December 2022	31 December 2021
Receivables from provision of deliveries and services	492.2	722.7
Other receivables from third parties	1.7	2.9
Total receivables (net)	**493.9**	**725.6**
Allowance for uncollectible accounts	16.3	14.6
Gross receivables	**510.2**	**740.2**

Terms of transactions with related parties are set out in the Note 34.

Trade receivables do not bear interest and usually have a 50-day payment period.

In order to improve cash flow from operating activities, the Group used factoring without recourse during the financial year. As at the balance sheet date, the Group reported the receivables assigned to factoring companies in the amount of **355.7 million zł** (**241.1 million zł** as at 31 December 2021). These receivables have been removed from the balance sheet of the Group, since the risks associated therewith have been transferred to the factor.

The Group operates a policy to sell only to verified customers. As a result, the management believes there is no additional credit risk beyond the level specified by the allowance for uncollectible trade receivables of the Group.

Change in the balance of allowance for uncollectible accounts

	31 December 2022	31 December 2021
Impairment allowance as at 1 January	**14.6**	**14.9**
Increase	4.9	6.9
Amount used	(0.1)	–
Amount reversed	(3.0)	(7.4)
Other	(0.1)	0.2
Impairment allowance as at 31 December	**16.3**	**14.6**

As at 31 December, 2022, the Group made an allowance for uncollectible accounts in the amount of **16.3 millino zł**, including the value resulting from the Group's individual approach to assessing the impairment of receivables in the amount of **9.1 million zł** and the value resulting from the ratio approach, in line with the model described above, in the amount of **7.2 million zł**.

The Group continuously analyses the situation on the markets and any signals from contractors that may indicate the deterioration of the financial environment and, if necessary, will update the estimates adopted for the ECL calculation for the purposes of preparing the financial statements for 2022.

Details on the allowances applied to the table above are provided in note 37.3. Credit risk.

27. Cash and cash equivalents

As at 31 December 2022, the Group had at its disposal the unused loans in the amount of **274.0 million zł** (as at 31 December 2021 **166.9 million zł**).

The balance of cash and cash equivalents disclosed in the consolidated cash flow account comprised the following items:

	31 December 2022	31 December 2021
Cash at bank and in hand	112.6	50.2
Current deposits	37.8	2.0
Restricted cash	16.0	7.7
Total	**166.4**	**59.9**

28. Stated capital

28.1. Stated capital

Share capital	31 December 2022	31 December 2021
Registered "A" shares with a nominal value of PLN 2 per share	2,717,678	2,717,678
B ordinary "A"/"B" shares with a nominal value of PLN 2 per share [1]	5,057,595	5,057,595
Total	**7,775,273**	**7,775,273**

[1] including 2,381,881 shares of series A and 2,675,714 shares of B series

	Quantity	Value
Own shares		
As at 1 January 2022	**147,137**	**17.7**
Issue of own shares	(43,308)	(5.2)
As at 31 December 2022	**103,829**	**12.5**
As at 1 January 2021	**201,983**	**24.2**
Issue of own shares	(54,846)	(6.5)
As at 31 December 2021	**147,137**	**17.7**

[2] Purchased on 18 October, 2018 in exchange for cash in connection with the implementation of the incentive scheme

28.1.1. Nominal value of shares

All issued shares have a nominal value of PLN 2 per share and have been fully paid.

28.1.2. Shareholders' rights

Some of the registered shares of series A are preference shares in that each such share carries 2 (two) votes at the AGM. Other shares of A and B series are ordinary bearer shares.

29. Other types of capitals

29.1. Supplementary capital and other reserve capitals

	Supplementary capital	Own shares	Revaluation of hedging instruments capital	Revaluation reserve capital of a defined benefit plan	Other reserve capitals, including the incentive scheme	Capital from the revaluation of the incentive scheme	Total
As at 1 January 2022	**971.3**	**(17.6)**	**24.2**	**(0.9)**	**30.0**	**5.7**	**1,012.7**
Other net comprehensive income	–	–	(9.1)	2.9	–	–	(6.2)
Total comprehensive income	**–**	**–**	**(9.1)**	**2.9**	**–**	**–**	**(6.2)**
Re-booking of financial result to supplementary capital	64.9	–	–	–	–	–	64.9
Issue of own shares	–	5.2	–	–	–	–	5.2
Valuation of incentive scheme	–	–	–	–	–	(5.8)	(5.8)
As at 31 December 2022	**1,036.2**	**(12.4)**	**15.1**	**2.0**	**30.0**	**(0.1)**	**1,070.8**

	Supplementary capital	Own shares	Revaluation of hedging instruments capital	Revaluation reserve capital of a defined benefit plan	Other reserve capitals, including the incentive scheme	Capital from the revaluation of the incentive scheme	Total
As at 1 January 2021	**889.1**	**(24.2)**	**18.8**	**(1.3)**	**30.0**	**17.1**	**929.5**
Other net comprehensive income	–	–	5.4	0.4	–	–	5.8
Total comprehensive income	**–**	**–**	**5.4**	**0.4**	**–**	**–**	**5.8**
Re-booking of financial result to supplementary capital	81.9	–	–	–	–	–	81.9
Issue of own shares	–	6.6	–	–	–	–	6.6
Settlement of the incentive scheme	–	–	–	–	–	(6.4)	(6.4)
Valuation of incentive scheme	–	–	–	–	–	(4.6)	(4.6)
Other changes	0.3	–	–	–	–	(0.4)	(0.1)
As at 31 December 2021	**971.3**	**(17.6)**	**24.2**	**(0.9)**	**30.0**	**5.7**	**1,012.7**

The supplementary capital was created out of the share premium in the amount of **107.7m zł**, resulting from the issue of shares in the Parent Company. In addition, the supplementary capital was raised from statutory deductions from profits generated in the previous financial years and was adjusted by the amount resulting from the redemption of shares by the amount of **28,5 million zł** and **11,7 million zł**, resulting from the merger with a subsidiary, Sidegrove, in previous years.

29.2. Retained profit (loss) and dividend restrictions

In case of domestic companies, dividends may be paid based on the profit determined in the separate annual financial statements prepared for statutory purposes.

Pursuant to the requirements laid down in the Code of Commercial Companies, the parent company is required to create supplementary capital to cover losses. At least 8% of the profit for a given financial year as recognized in the separate financial statements of the parent company shall be transferred to this category of the capital, until the capital reaches at least one third of the share capital of the parent company. The use of supplementary capital and the capital reserve remains at the discretion of the General Meeting; however, some of the supplementary capital representing one third of the share capital can only be used to absorb the loss disclosed in the separate financial statements of the Parent Company and is not divisible for other purposes.

In the case of foreign companies within the Group, the limitations related to the distribution of capital and dividend payments arise from local commercial law and are respected by the managers of these companies.

As at 31 December 2022, there are no other restrictions on the payment of dividends.

29.3. Non-controlling interest

The non-controlling shares presented in the equity of the Group refer to the subsidiary Sideme S.A., a minority shareholder which holds a 5% share in the company's capital.

	31 December 2022	31 December 2021
Opening balance	**2.2**	**2.5**
Total income for the period	(1.8)	(0.3)
Closing balance	**0.4**	**2.2**

The condensed financial data of Sideme S.A. as at 31 December, 2022 and 31 December, 2021 are presented below:

SIDEME S.A.	31 December 2022	31 December 2021
Fixed assets	45.7	42.7
Current Assets	139.6	208.7
Liabilities and provisions	180.5	210.1
Total net assets	**4.8**	**41.3**
Revenue from agreements with customers	329.8	345.3
Net loss	(31.5)	(9.8)
Loss attributable to non-controlling interests	**(1.6)**	**(0.5)**

30. Credit, loans and other debt instruments

	31 December 2022	31 December 2021
Short-term	**90.7**	**178.8**
Liabilities from leasing agreements	27.7	26.0
Credits and loans	57.5	136.6
Bonds	5.5	16.2
Long-term	**130.6**	**156.3**
Liabilities from leasing agreements	38.5	49.3
Credits and loans	27.1	36.7
Bonds	65.0	70.3

For each reporting period, including as at 31 December, 2020 and until the publication of these consolidated financial statements, the valuesof the financial covenants complied with the provisions of the agreements.

In the current reporting period, the Group repaid the principal and interest on the dates specified in the agreements. There was no breach of the terms of the agreements and the Group did not renegotiate the terms of any of the agreements relating to liabilities under credits, loans and debt instruments.

The note below presents changes in liabilities under loans and bonds in 2022 and 2021:

Reconciliation of bank loans and bonds	31 December 2022		31 December 2021	
	Bank loans	Bonds	Bank loans	Bonds
Opening balance	**173.3**	**86.5**	**81.4**	**51.9**
Repayment	(95.2)	(15.9)	(21.9)	(15.9)
taken	4.5	–	113.0	50.0
Accrued interest	9.5	5.1	4.3	1.3
Interest paid	(9.4)	(5.2)	(4.0)	(0.8)
Currency translation differences	1.9	–	0.5	–
Closing balance	**84.6**	**70.5**	**173.3**	**86.5**

The Group issues and offers bonds only to financial institutions. The bond program is not intended for individual customers or natural persons.

The issued bonds bear interest on the basis of variable interest rates based on the reference rate WIBOR 3M / WIBOR 6M increased by a margin.

Liabilities from debt as at 31 December, 2022 and for the comparative period were established in the following assets of the Group

Assignment of receivables	31 December 2022	31 December 2021
Pledge on fixed assets	55.7	60.8
Assignment of receivables	2.5	5.9
Appropriation of current assets	125.4	153.2
Total securities on the Group's assets	**183.6**	**219.9**

In the current reporting period, the Group had the following loans

Curren-cy	type of loan	interest	Credits repayment deadlines	loan amount as at 31 December 2022	loan amount as at 31 December 2021
PLN	investment credit	WIBOR 3 M + BANK'S MARKUP	2023	3.3	23.3
PLN	investment credit	WIBOR 3 M + BANK'S MARKUP	2024	0.7	1.2
PLN	Working capital loan	WIBOR 1M + bank's mark-up	2023	–	1.8
EUR	Working capital loan	FIXED INTEREST	2026	27.0	32.2
EUR	Working capital loan	FIXED INTEREST	2023	9.2	–
PLN	Working capital loan	WIBOR 1M + bank's mark-up	2023	22.7	64.8
RUB	Working capital loan	EURIBOR 3M + BANK'S MARKUP	2022	–	14.2
GBP	Working capital loan	SONIA rate + BANK'S MARKUP	2023	10.6	11.6
GBP	Working capital loan	BoE rate + BANK'S MARKUP	2023	8.6	20.4
GBP	Working capital loan	FIXED INTEREST	2023	2.5	–
EUR	Working capital loan	FIXED INTEREST	2022	–	2.5
PLN	Working capital loan	WIBOR O/N + bank's mark-up	2022	–	0.7
PLN	Working capital loan	WIBOR 1M + bank's mark-up	2022	–	0.5
PLN	Working capital loan	WIBOR 1M + bank's mark-up	2026	–	0.1
			Total	**84.6**	**173.3**

31. Provisions

31.1. Changes in provisions

Current provisions	For the period from 1 January to 31 December 2022				For the period from 1 January to 31 December 2021			
	Provisions for warranty repairs	Provisions for salaries and annual leave	Provisions for retirement and disability benefits	Other Provisions	Provisions for warranty repairs	Provisions for salaries and annual leave	Provisions for retirement and disability benefits	Other Provisions
Opening balance	**42.6**	**29.9**	**0.8**	**9.5**	**38.8**	**31.6**	**0.6**	**15.6**
Increase in provisions	42.0	23.3	3.3	2.2	74.3	36.9	3.4	2.8
dissolution of provisions	(1.3)	(10.2)	(0.1)	(8.6)	(9.4)	(11.1)	(3.1)	(7.5)
Use of provisions	(41.6)	(23.7)	(3.1)	(1.1)	(62.1)	(27.5)	(0.3)	(2.0)
Other changes	0.4	0.1	–	0.7	1.0	–	0.2	0.6
Closing balance	**42.1**	**19.4**	**0.9**	**2.7**	**42.6**	**29.9**	**0.8**	**9.5**

Non-current provisions	For the period from 1 January to 31 December 2022				For the period from 1 January to 31 December 2021			
	Provisions for warranty repairs	Provisions for salaries and annual leave	Provisions for retirement and disability benefits	Other Provisions	Provisions for warranty repairs	Provisions for salaries and annual leave	Provisions for retirement and disability benefits	Other Provisions
Opening balance	**14.1**	**–**	**10.6**	**0.3**	**10.7**	**–**	**12.6**	**0.3**
Increase in provisions	4.6	–	0.7	–	7.9	–	–	–
dissolution of provisions	(1.4)	–	–	–	(1.1)	–	–	–
Use of provisions	–	–	(5.8)	–	(3.6)	–	(1.9)	–
Other changes	0.2	–	0.1	–	0.2	–	(0.1)	–
Closing balance	**17.5**	**–**	**5.6**	**0.3**	**14.1**	**–**	**10.6**	**0.3**

31.2. Provision for warranty repairs

The Group creates a provision for the costs of expected warranty repairs, taking into account warranty period for the customers. Based on historical data, it is expected that most of these costs (approximately 60%-70%) will be incurred in the first year of warranty coverage, and the remainder in the 2nd year.

The basis for estimating the provision for future warranty repairs includes: warranty period, historical unit repair cost, estimated product defectiveness, average cost of a spare part in the cost of repair. Except for the warranty period, the value of the above-mentioned variables may change in future periods, simultaneously influencing the value of the provision. The Group reviews the adopted variables to reflect the Group's actual liability under the provision for warranty repair obligations.

31.3. Provision for salaries and leaves

The Group calculates the provision for unused holiday leave and the provision for the bonus for the current financial year to be paid in the following year.

32. Liabilities from deliveries and services and other liabilities.

	31 December 2022	31 December 2021
Liabilities from deliveries and services		
Towards subsidiaries and affiliates	1.8	0.7
Towards other entities	642.6	774.6
	644.4	**775.3**
Other liabilities		
Liabilities due to employees from the remuneration	13.3	12.2
Liabilities from taxes, customs duties and social security	48.0	56.4
Other liabilities	1.6	1.1
	62.9	**69.7**
Total	**707.3**	**845.0**

Terms and conditions of the above financial liabilities:

- trade liabilities are non-interest bearing liabilities and are usually settled within 50 days;
- other liabilities are non-interest-bearing with an average 1 month payment period.

Terms of transactions with related parties are set out in the Note 34.

32.1. Other non-financial liabilities

	31 December 2022	31 December 2021
Liabilities due to customs duties	–	0.2
Value Added Tax	26.3	40.1
Personal Income Tax	4.1	3.7
Liabilities from social security	16.9	11.5
Liabilities due to other taxes and benefits	0.7	0.9
Total	**48.0**	**56.4**
– current	48.0	56.4

32.2. Deferred charges and accruals

	31 December 2022	31 December 2021
Deferred income arising from:		
Government subsidies	14.5	6.7
Total	**14.5**	**6.7**
– current	0.4	1.2
– long-term	14.1	5.5

In 2022 and 2021, the National Centre for Research and Development (NCBR) granted the Paretn Company funding under two research and development projects:

- “Development of an innovative technology for the production of electronic components dedicated to the household appliances industry” to develop process innovation and significantly improved technology for the production of electronic components used in the production of household appliances (in particular for the production of hobs, ovens, cookers and hoods, which are the main category of household appliances in the Company's sales volume);
- “Development of an innovative, highly effective technology of decorative marking of glass and ceramic panels that are components of heating panels, based on digital printing” to develop process innovation and new technology of printing decorative elements on glass and ceramic forms (panels) that are components of hobs heating. As part of the innovation, it is planned to develop proprietary technology based on digital printing, which has not been used so far for printing on household appliances. In order to ensure the expected effectiveness, flexibility and efficiency of the process, it is also planned to develop innovative design and technical and technological solutions, as well as to create a proprietary product quality control system and an automatic process handling system.

The amount of grants received was **2.4 million zł** and **4.9 million zł**, respectively. The share of NCBIR co-financing is 40% for eligible direct costs and indirect costs up to the limit of 10% of eligible direct costs (25% on the basis of 40% of eligible direct costs).

In 2005, the Amica S.A. Group signed an agreement with the Minister of Economy and Labour for co-financing the project to subsidise the company's expansion and change the products of Amica S.A. This financing took place under the auspices of the Branch Operational Programme for Increased Competitiveness in Companies. As part of the project, the Group was obliged to increase expenditure on Material Fixed Assets and employ the appropriate number of workers. The share in additional financing of the Material Fixed Assets by the Programme was 25% of the increased expenditure.

On 9 May, 2019, Amica S.A. received a grant of **4.4 million zł** from the Fund for the Professional Activation of Convicts and the Development of Prison Workers.

Amounts classified under this item gradually increase other operating income, in parallel to depreciation charges on fixed assets.

The grant was intended for co-financing activities in rehabilitation of imprisoned persons, serving the creation of new jobs for imprisoned persons.

As part of the rehabilitation activities, Amica SA completed a task consisting of: demolition works, construction of a production hall on a leased ground from the State Enterprise of Metal Industry "POMET" based in Wronki, implementation of technical protection and purchase of technological equipment. The share of co-financing from the state aid program for entities employing imprisoned persons amounted to 49.61% of the expenses incurred.

In the reporting period, the value recognised in other operating income due to the assignment of subsidies in parallel to depreciation and amortisation amounted to **0.4 million zł** (**0.4 million zł** in 2021).

The Group met all the conditions of the contracts signed as part of the programme for obtaining government assistance, and shows no contingent liabilities arising from this.

In accordance with the accounting policy of the Amica S.A. Capital Group, cash received to finance the acquisition or manufacture of fixed assets, including fixed assets under construction and development work, is recognised in deferred income. Sums categorised as part of this item gradually increase the remaining operating revenue parallel to depreciation or remittance write-offs of fixed assets or costs of development work financed from these sources.

33. Contingent liabilities

As at the balance sheet date, there are no pending tax inspections or proceedings. In the opinion of the Management Board, the Group does not have any significant contingent liabilities.

Lawsuits

As at the balance sheet date, there were no significant proceedings regarding liabilities or receivables of the Parent Company or its subsidiaries.

34. Information on related parties

Control over the Amica S.A. Group is exercised by Holding Wronki Sp. z o.o., which holds 34.93% of Amica S.A. shares. The remaining shares are held by numerous shareholders, including employees. Shareholders holding more than 5% of shares in Amica S.A. are listed in the Note 41.

In the financial year ended 31 December, 2022, there were no transactions between the Group and the Parent Company, except for transactions resulting from the employment relationship (in 2021, the aforementioned transactions did not take place either).

All consolidated subsidiaries have prepared the financial statements as at 31 December 2022.

The Group employs a procedure designed to verify the related parties among the members of the Management Board, the Supervisory Board and the key personnel. The verification process allowed to identify the parties presented below:

Parties related to the Parent Company include key management staff, subsidiaries subject to the consolidation requirement as well as other related parties to which the Company includes entities controlled by the owners of the Company.

Entities affiliated with the Group include:

- Consolidated subsidiaries satisfying the definition of control in accordance with IFRS 10, listed in Note 4
- Other related parties: KKS Lech Poznań, Amicis Foundation
- Key personnel of the Group (executives) and the Supervisory Board
- Parent companies: Holding Wronki Sp. z o.o., Invesco Sp. z o.o.

Total amounts of related party transactions for the current and previous financial year

Name of the related party	Revenues from core business		Cost of core business	
	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
Holding Wronki Sp. z o.o.	0.1	0.1	6.7	5.1
KKS LECH Poznań	13.4	7.7	1.4	3.3
Fundacja Amicis (Amicis Foundation)	0.1	0.1	–	–
Total	**13.6**	**7.9**	**8.1**	**8.4**

Name of the related party	Trade receivables		Trade liabilities	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Holding Wronki Sp. z o.o.	–	–	1.3	0.6
KKS LECH Poznań	1.5	2.5	0.5	0.1
Total	**1.5**	**2.5**	**1.8**	**0.7**

34.1. Parent Company of the entire Group

In the year ended 31 December 2022, there were no transactions between the Group companies and the Parent Company of the entire Group, except for transactions resulting from the employment relationship.

34.2. Entity with significant influence over the Group

No entity with significant influence over the Group has been identified.

34.3. Conditions of transactions with affiliated entities

Transactions with related parties are associated mainly to the sale of products, goods and services by the Capital Group to its subsidiaries. These operations take place on an arm's length basis.

Amica S.A. also acts as a lender to related entities. The loans were granted on the market terms.

Other transactions between Group companies are related to services and take place under conditions equivalent to those that apply to transactions entered into on market terms.

35. Salaries of the Group's Senior Management

35.1. Remuneration paid to members of the Management Board and members of the Supervisory Board of the Parent Company

	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
The Management Board of the parent company acting as at the balance sheet date		
Short-term benefits for performing their roles	6.0	7.5
Severance payments	0.4	–
Total	**6.4**	**7.5**
Supervisory Board of the Parent Company		
Short-term benefits for performing their roles	1.9	1.9
Total	**1.9**	**1.9**

35.2. Share payment scheme

The parent company runs an incentive scheme for top-level managers. The Scheme shall remain effective for the next 8 (eight) financial years i.e. in the years 2019 – 2026, unless the total number of Own Shares repurchased under the Share Repurchase programme and intended to be offered to Eligible Persons under the programme is used in full.

For the needs of the programme, the parent company has separated the reserve capital from retained earnings and bought back 250,000 shares at an average price of 120 zł / item. The total cost of buying the shares, which will all be allocated to the implementation of the incentive scheme, was 30.0 million zł.

After approval by the Ordinary General Meeting of the Company of the consolidated financial statements of the Group for a given financial year of the validity of the Program, the Supervisory Board of the parent company verifies the fulfillment of the conditions for acquiring the Allowances within 14 (fourteen) days from the date of such approval.

In the case of acknowledgement of the fulfilment of the conditions for award of the Options, the Supervisory Board of the Parent Company shall adopt the Name List, by way of a resolution, by the date specified in the preceding sentence. In this resolution, the Supervisory Board shall also determine the Base Amount providing the basis for awarding the Options for a given financial year along with the Pool of Options and further shall allocate the Options. In order to determine the Allocation Pool for a given financial year of the Programme, the Calculated Base Amount should be divided by the value of one Parent Company share understood as the arithmetic average of closing prices for the Parent Company's shares on the WSE main market from the last 6 months preceding the Allocation Day. The Individual Allocation Pool will be determined by the Supervisory Board on the Name List, including: Individual Calculation Coefficient, as well as the period of performing the function of a Member of the Management Board or a Member of the Extended Management Board in the financial year for which Individual allocation pools are granted.

Terms of the incentive scheme	
Number of Authorized Persons	
The first incentive scheme	6 persons
Second incentive scheme	7 employees [1]
Validity period:	
The first incentive scheme	From 01.01.2019 to 20.05.2019
Second incentive scheme	From 21.05.2019 to 20.05.2023
The condition for starting the allowance pool	
The first incentive scheme	min. consolidated gross profit threshold 100m zł
Second incentive scheme	min. consolidated gross profit threshold 100m zł
Significant parameters in the valuation model:	**Parameter values**
Stock pricing model	Monte Carlo simulation
Number of shares granted	250,000
Dividend yield for 2022 [%]	4.53%
Stock price volatility as at 31 December, 2022 (%)	18.70%
Risk free interest rate [%]	6.85%

[1] As at 6 June, 2022. Mr. Błażej Sroka has resigned his post as a Member of the Management Board for Goods Management and Logistics at Amica S.A., therefore, when drawing up the List of Eligible Persons for 2022, Mr Błażej Sroka will be entitled to acquire 5/12 of the pool of shares.

Valuation day

The fair value of allowances for the 12 months of 2022 was calculated on the basis of modern numerical methods based on the Monte Carlo model. In accordance with IFRS 2, the provision for the incentive scheme was reversed as at 31 December, 2022 (as at 31 December, 2021, the provision amounted to **5.7 million zł**).

Implementation of the scheme

On 13 July, 2022, the Supervisory Board positively verified the meeting of Allowance conditions and approved the name list of employees who were covered by the incentive scheme and received shares for the financial year 2021. As a result of the implementation of the incentive scheme, the eligible persons were granted 43,308 shares from the pool of own shares. Therefore, the number of own shares decreased and at the end of 2022 it amounted to 103,829 shares.

Title	Number of shares
number of own shares as at 01.01.2022	147,137
number of shares issued to key employees of the Company	43,308
number of own shares as at 31.12.2022	103,829

36. Information on remuneration of an auditor or an entity authorized to audit financial statements

The table below presents the remuneration of the entity authorised to audit the Group's financial statements, paid or due for the year ended 31 December, 2022 and 31 December, 2021, by type of services:

Type of service	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
Mandatory audit of the annual financial statements	1.7	1.5
Reviewing financial statements	0.4	0.2
Other services	0.2	0.2
Total	**2.3**	**1.9**

37. Objectives and principles of financial risk management

In addition to derivatives, the main financial instruments used by the Group include bank loans, bonds, lease agreements, factoring of liabilities, cash and current deposits. The main purpose of these financial instruments is to raise funds for the Group's operations. The Group also holds other financial instruments such as trade receivables and payables which arise directly in the course of its business.

The Group also concludes transactions with derivative instruments, primarily interest rate swaps, forward currency agreements, and Cross-Currency Interest Rate Swap and commodity swap transactions. The purpose of these transactions is to manage interest rate risk, currency risk and commodity price risk arising in the course of the Group's operations and resulting from the financing sources it uses.

The main risks arising from the Group's financial instruments include interest rate risk, liquidity risk, foreign currency risk and credit risk. The Management Board reviews and agrees policies for managing each of these risks – the relevant principles are briefly discussed below.

The Group recognizes market risk as interest rate risk, currency risk and commodity price risk, in addition, the Group describes liquidity risk and credit risk.

Group Financial Risk Management is coordinated by the parent company, in close cooperation with the Management Boards and financial directors of subsidiaries. In the risk management process, the most important goals are:

- hedging short – and long-term cash flows,
- stabilizing fluctuations in financial results of the Group,
- achieving the assumed financial forecasts by fulfilling the budget targets,
- achieving a rate of return on non-current investments and obtaining optimum sources for financing investment activities.

The Group does not conclude transactions on financial markets for speculative purposes. In economic terms, the transactions carried out can be treated as hedges against certain risks.

In addition, the Parent Company formally designated some derivative instruments as cash flow hedges in accordance with the requirements of IFRS 9 (hedging derivatives).

Below are presented the most significant risks to which the Group is exposed.

37.1. Interest rate risk

The Group defines the interest rate risk as the uncertainty about future levels and changes in market interest rates. Interest rate risk relates to the volatility of future cash flows of the Group companies or the fair value of financial assets and liabilities due to changes in interest rates.

The Group manages its interest cost using a mix of fixed rate and variable rate liabilities. Its aim is that from 80% to 100% of the loans and non-current loans should have fixed interest rates. In order for the solution adopted by the Company to be economically effective, the Company enters into interest rate swaps, under which it agrees to exchange, at specified intervals, the difference between the amount of interest accrued at a fixed and variable interest rate on the agreed principal amount.

These transactions are aimed at securing interest flows from contracted credit obligations and net assets. As at 31 December 2022, the Group secured approximately 13% of all liabilities, the cost of which is based on variable interest rate (including approximately 19% of loan liabilities and other debt instruments contracted by the Group).

Sensitivity of gross profit (loss) to reasonably possible changes in interest rates

	31 December 2022				31 December 2021			
	3.00%		-3.00%		1.00%		-1.00%	
	Financial result	other comprehensive income	Financial result	other comprehensive income	Financial result	other comprehensive income	Financial result	other comprehensive income
Cash	(1.1)	–	1.1	–	(0.6)	–	0.6	–
Liabilities due to debt factoring	0.5	–	(0.5)	–	0.3	–	(0.3)	–
Factoring of receivables	9.9	–	(9.9)	–	2.4	–	(2.4)	–
Bank loans	2.5	–	(2.5)	–	1.7	–	(1.7)	–
Bonds	2.1	–	(2.1)	–	0.9	–	(0.9)	–
Liabilities from leasing agreements	2.0	–	(2.0)	–	0.8	–	(0.8)	–
Derivative financial instrument	–	(0.9)	–	0.9	–	(0.7)	–	0.7
Effect on financial result	**15.9**	–	**(15.9)**	–	**5.5**	–	**(5.5)**	–
Impact on other comprehensive income	–	**(0.9)**	–	**0.9**	–	**(0.7)**	–	**0.7**

As at 31 December, 2022, the Group's gross profit would be **15.9 million zł** lower if interest rates were 300 basis points higher, assuming all other parameters remained unchanged. On the other hand, with a drop in interest rates by 100 basis points, the Group's result would be higher by 15.9 million zł.

37.2. Currency risk

The Group defines currency risk as uncertainty about future levels and changes in market exchange rates. These changes affect the individual aspects of the Group's business activities, generating various types of exposure to currency risk. The source of exposure to currency risk at the Group level are transactions with entities from outside the Group generating cash flows, the value of which, measured in Polish Złoty, depends on the future levels of the exchange rate. The source of exposure to currency risk at the level of a given entity of the Group are all transactions generating cash flows, the value of which, measured in the functional currency of a given company, depends on the future levels of the exchange rate.

In connection with the significance of currency risk, the Group hedges exchange rates by entering into forward contracts.

As at 31 December, 2022, the Group hedged approximately 65% of the net cash flow exposure arising from sales transactions denominated in foreign currencies and approximately 42% of the net cash flow exposure arising from purchase transactions denominated in foreign currencies forecast for the new financial year. It should be noted that a large part of the sales and purchase transactions are entered in the same foreign currencies, which provides a natural hedge against currency risk.

Analysis of sensitivity to currency translation risk

Sensitivity analysis consists primarily in the presentation of the structure of foreign currency financial instruments as well as the Group's assets and liabilities of exposed to currency risk. Figures from the table of values at risk are subsequently tested for changes in exchange rates.

To determine the range of potential exchange rate changes for the purpose of the analysis, historical volatility for the reporting year was calculated (all calculations based on fixings published by the NBP).

The method for calculating the historical volatility

$$\operatorname{Var}\left(\ln\left(\frac{S_t}{S_0}\right)\right) = \sigma^2 t,$$

σ is an annualized (logarithmic) standard deviation of the rate of return from NBP fixations for a given currency pair. The Annualization of one-day to one-year volatility is determined based on the formula (square root of the actual number of data publications in the period):

$$\hat{\sigma} = \sqrt{252}\,\sigma_{1d}.$$

Currency structure of selected financial instruments as at 31 December, 2022.

Value at risk expressed in Polish Złotys	Total	EUR	CNY	USD	Other
NBP fixing	–	*4.6899*	*0.6348*	*4.4018*	–
historical volatility	–	*8.2%*	*13.5%*	*15.4%*	–
Receivables from deliveries and services and other receivables.	**99.2**	90.3	0.4	0.4	8.1
Cash and cash equivalents	**24.4**	11.6	8.1	0.1	4.6
Derivative financial instruments measured at fair value through other comprehensive income	**222.1**	(277.3)	518.8	119.1	(138.5)
Credit, loans and other debt instruments	**25.6**	25.6	–	–	–
Liabilities from deliveries and services and other liabilities.	**299.4**	113.9	158.9	21.0	5.6
Liabilities due to debt factoring	**15.4**	15.4	–	–	–
Liabilities from leasing agreements	**11.8**	11.3	–	–	0.5
Net exposure	**(6.5)**	**(341.6)**	**368.4**	**98.6**	**(131.9)**

The sensitivity analysis assumes an increase or decrease of individual rates by an average value determined on the basis of historical exchange rate volatility in relation to the closing rate applicable on individual balance sheet days, which is consistent with the table below.

Historical volatility and NBP fixing for data analysis as at 31 December 2022.

	NBP fixing	historical volatility
EUR/PLN	4.6899	8.2%
CNY/PLN	0.6348	13.5%
USD/PLN	4.4018	15.4%

Sensitivity analysis for currency risk as at 31 December 2022 and impact on profit or loss and other comprehensive income

	Total		change in exchange rate of EUR/PLN		change in exchange rate of CNY/PLN		change in exchange rate of USD/PLN	
	depreciation of PLN	appreciation of PLN	depreciation of PLN	appreciation of PLN	depreciation of PLN	appreciation of PLN	depreciation of PLN	appreciation of PLN
Rate volatility			*8.2%*	*-8.2%*	*13.5%*	*-13.5%*	*15.4%*	*-15.4%*
Receivables from deliveries and services and other receivables.	7.6	(7.6)	7.4	(7.4)	0.1	(0.1)	0.1	(0.1)
Cash and cash equivalents	2.0	(2.0)	0.9	(0.9)	1.1	(1.1)	–	–
Derivative financial instruments measured at fair value through other comprehensive income	65.8	(65.8)	(22.6)	22.6	70.1	(70.1)	18.3	(18.3)
Credit, loans and other debt instruments	(2.1)	2.1	(2.1)	2.1	–	–	–	–
Liabilities from deliveries and services and other liabilities.	(34.0)	34.0	(9.3)	9.3	(21.5)	21.5	(3.2)	3.2
Liabilities due to debt factoring	(1.3)	1.3	(1.3)	1.3	–	–	–	–
Liabilities from leasing agreements	(0.9)	0.9	(0.9)	0.9	–	–	–	–
Net impact from exchange rate changes	**37.1**	**(37.1)**	**(27.9)**	**27.9**	**49.8**	**(49.8)**	**15.2**	**(15.2)**

Exposure to currency translation risk changes over the year depending on the volume of transactions conducted in that currency. However, the above sensitivity analysis can be considered representative for determining the Group's exposure to currency risk as at the balance sheet date.

Currency structure of selected financial instruments as at 31 December, 2021.

Value at risk expressed in Polish Złotys	**Total**	EUR	CNY	USD	Other
NBP fixing	–	*4.5994*	*0.6390*	*4.0600*	–
historical volatility	–	*5.7%*	*7.6%*	*8.4%*	–
Receivables from deliveries and services and other receivables.	**173.6**	169.6	0.8	1.1	2.1
Cash and cash equivalents	**25.6**	12.0	7.5	3.7	2.4
Derivative financial instruments at fair value through profit or loss	**1.6**	–	–	–	1.6
Derivative financial instruments measured at fair value through other comprehensive income	**34.8**	(3.8)	36.2	3.1	(0.7)
Credit, loans and other debt instruments	**0.7**	0.1	0.5	0.1	–
Liabilities from deliveries and services and other liabilities.	**403.7**	138.8	248.6	14.8	1.5
Liabilities due to debt factoring	**18.1**	18.1	–	–	–
Liabilities from leasing agreements	15.3	15.2	–	–	0.1
Net exposure	**(202.2)**	**5.6**	**(204.6)**	**(7.0)**	**3.8**

The sensitivity analysis assumes an increase or decrease of individual rates by an average value determined on the basis of historical exchange rate volatility in relation to the closing rate applicable on individual balance sheet days, which is consistent with the table below.

Historical volatility and NBP fixing for data analysis as at 31 December 2021.

	NBP fixing	historical volatility
EUR/PLN	4.5994	5.7%
CNY/PLN	0.6390	7.6%
USD/PLN	4.0600	8.4%

Sensitivity analysis for currency risk as at 31 December 2021 and impact on profit or loss and other comprehensive income

	Total		change in exchange rate of EUR/PLN		change in exchange rate of CNY/PLN		change in exchange rate of USD/PLN	
	depreciation of PLN	appreciation of PLN	depreciation of PLN	appreciation of PLN	depreciation of PLN	appreciation of PLN	depreciation of PLN	appreciation of PLN
Rate volatility	–	–	*5.7%*	*-5.7%*	*7.6%*	*-7.6%*	*8.4%*	*-8.4%*
Receivables from deliveries and services and other receivables.	9.8	(9.8)	9.6	(9.6)	0.1	(0.1)	0.1	(0.1)
Cash and cash equivalents	1.6	(1.6)	0.7	(0.7)	0.6	(0.6)	0.3	(0.3)
Derivative financial instruments measured at fair value through other comprehensive income	(17.8)	17.8	(47.4)	47.4	23.8	(23.8)	5.8	(5.8)
Liabilities from deliveries and services and other liabilities.	(28.1)	28.1	(8.0)	8.0	(18.9)	18.9	(1.2)	1.2
Liabilities due to debt factoring	(1.0)	1.0	(1.0)	1.0	–	–	–	–
Liabilities from leasing agreements	(0.9)	0.9	(0.9)	0.9	–	–	–	–
Net impact from exchange rate changes	**(36.4)**	**36.4**	**(47.0)**	**47.0**	**5.6**	**(5.6)**	**5.0**	**(5.0)**

Exposure to currency translation risk changes over the year depending on the volume of transactions conducted in that currency. However, the above sensitivity analysis can be considered representative for determining the Group's exposure to currency risk as at the balance sheet date.

37.3. Credit risk

Credit risk is the risk of financial losses to which the Group is exposed and is related to the counterparty's failure to meet its obligations. The Group identifies 4 areas where this risk may occur:

- Receivables from provision of deliveries and services
- Financial instruments,
- cash,
- loans granted to related entities.

The Capital Group limits its exposure to credit risk related to receivables from customers by assessing and monitoring the creditworthiness of customers, setting credit limits, insuring receivables, using the factoring formula without recourse and securing liabilities.

The Group's basic practice in the field of credit risk management is to strive to enter into transactions only with entities with proven credibility. Group performs ongoing credit evaluations of its customers and in justified cases, requires appropriate securities. Moreover, most of the Group companies' receivables are covered by the receivables insurance policy. Business partners, with whom the Group has no history of cooperation or sale transactions are concluded occasionally, make purchases in the form of prepayments. In contrast, trade credit is granted to customers with whom there is a positive history of collaboration and have credit rating based on both internal and external sources.

Most of the value of assets exposed to credit risk is transferred entirely to financial institutions. The terms of the concluded factoring agreements meet the criteria for removing receivables from the books at the time of their purchase by the factor. As at 31 December, 2022, the value of receivables for factoring amounted to **355.7 million zł** (as at 31 December, 2021, this value was **241.1 million zł**).

Moreover, the Capital Group has the following forms of securing its receivables — registered pledges, promissory notes, bank guarantees, notarial deeds of submission to enforcement and mortgage.

Credit risk associated with accounts receivable from supplies and services

Receivables from deliveries and services are the most important class of assets exposed to credit risk. Each subsidiary carries out an individual analysis of financial instruments in terms of possible impairment and the recognition of revaluation write-offs in accordance with the Group's accounting policy.

The Group identifies credit risk in two stages. First, items that are exposed to a significant risk of default by the counterparty are analysed individually. The allowance for standard risk receivables is calculated using the ratio method. The Group has built a model for estimating the expected loss resulting from the portfolio of receivables. The model is based on a historical analysis taking into account the repayment of receivables from the Group's customers. Regarding trade receivables representing the most significant assets exposed to the credit risk, the Group is not exposed to the credit risk, as it has only one significant counterparty. As a result, impairment estimates are made on a collective basis, and receivables have been grouped according to the overdue period and the debtor's geographical location. An impairment estimate is based primarily on the historical overdue periods and the relationship between the amounts overdue and the actual repayments. In addition, the model includes information on the future such as GDP forecasts for the following year and the expected extrapolation of bankruptcies.

Gross values of individual groups and the amount of impairment losses as at 31 December, 2022

As at 31 December, 2022	Receivables from provision of deliveries and services								Total
	Current	0 – 30 days	31-60 days	61 – 90 days	91 – 120 days	121-150 days	151-180 days	over 180 days	
Write-down calculated with a matrix									
Location: Poland									
The ratio used for the write-down [1]	0.38%	0.97%	5.50%	9.30%	9.09%	18.75%	63.16%	22.31%	
Gross value of receivables **	**36.9**	**2.6**	**0.1**	**–**	**–**	**–**	**–**	**0.1**	**39.7**
Revaluation write-down	0.1	–	–	–	–	–	–	–	0.1
Location: Abroad									
The ratio used for the write-down [1]	0.73%	0.79%	10.09%	21.81%	25.17%	20.87%	41.15%	47.02%	
Gross Value	**56.3**	**90.9**	**6.2**	**2.3**	**2.0**	**0.4**	**1.0**	**8.3**	**167.4**
Revaluation write-down	0.4	0.7	0.6	0.5	0.5	0.1	0.4	3.9	7.1
Total write-offs	**0.5**	**0.7**	**0.6**	**0.5**	**0.5**	**0.1**	**0.4**	**3.9**	**7.2**
The write-downs calculated individually									
Location: Poland	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**4.5**	**4.5**
Location: Abroad	**–**	**0.3**	**0.3**	**–**	**–**	**–**	**–**	**4.0**	**4.6**
Total write-offs individual approach	–	0.3	0.3	–	–	–	–	8.5	9.1
Total write-offs	**0.5**	**1.0**	**0.9**	**0.5**	**0.5**	**0.1**	**0.4**	**12.4**	**16.3**

[1] The values of the rates presented in the table above are averaged values

[2] For the purposes of credit risk analysis, the gross value of receivables is adjusted for their collateral level.

Gross values of individual groups and the amount of impairment losses as at 31 December, 2021

On 31 December, 20221	Receivables from provision of deliveries and services								Total
	Current	0 – 30 days	31-60 days	61 – 90 days	91 – 120 days	121-150 days	151-180 days	over 180 days	
Write-down calculated with a matrix									
Location: Poland									
The ratio used for the write-down [1]	0.51%	0.98%	5.45%	8.00%	10.00%	11.11%	20.00%	15.15%	
Gross value of receivables **	**34.0**	**1.1**	**0.1**	**–**	**–**	**–**	**–**	**0.1**	**35.3**
Revaluation write-down	0.2	–	–	–	–	–	–	–	0.2
Location: Abroad									
The ratio used for the write-down [1]	0.61%	6.39%	6.46%	12.35%	26.49%	4.28%	42.05%	92.59%	
Gross Value	**75.4**	**15.0**	**15.4**	**3.2**	**2.0**	**0.7**	**0.9**	**2.7**	**115.3**
Revaluation write-down	0.5	1.0	1.0	0.5	0.5	–	0.4	2.5	6.4
Total write-offs	**0.7**	**1.0**	**1.0**	**0.5**	**0.5**	**–**	**0.4**	**2.5**	**6.6**
The write-downs calculated individually									
Location: Poland	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**4.6**	**4.6**
Location: Abroad	**0.3**	**–**	**0.1**	**0.2**	**–**	**–**	**–**	**2.8**	**3.4**
Total write-offs individual approach	0.3	–	0.1	0.2	–	–	–	7.4	8.0
Total write-offs	**1.0**	**1.0**	**1.1**	**0.7**	**0.5**	**–**	**0.4**	**9.9**	**14.6**

[1] The values of the rates presented in the table above are averaged values

[2] For the purposes of credit risk analysis, the gross value of receivables is adjusted for their collateral level.

Based on the analysis of the economic situation, both home and abroad, the Group adjusted the impairment losses in accordance with the information in the table above. As at the balance sheet date, the Company has not identified any significant impact of the deterioration of the economic situation in the domestic and foreign markets on the counterparties' ability to settle their liabilities.

According to the table above, the Group identifies the highest concentration of credit risk among Polish counterparties. In comparison to the global value of write-downs, the domestic write-downs account for 28%. The remaining write-downs, constituting the "Foreign" group of write-downs, were created mainly for receivables from counterparties in the eastern markets, because the Group identifies the highest credit risk in this market.

Changes in impairment losses on receivables are disclosed in Note 26

As a part of its operations, the Group does not acquire impaired financial assets due to the credit risk.

The impact of changes in the estimated write-downs on the Group's gross profit in the event of a change of each of the +/ – 1% ratios is presented in the table below:

	1%	-1%
impact on the financial result	2.2	(1.3)

Credit risk related to cash

The capital group keeps cash in reputable banks with a high rating awarded by rating agencies. In the Group's opinion, the credit risk related to cash is immaterial.

rating	value of cash as at 31 December 2022
A+	15.4
A	0.3
A-	31.2
BBB+	105.2
BBB	3.2
BBB-	8.0
BB	2.4
B	0.3
TOTAL	**166,0** [1]

[1] the difference to the statement of financial position is due to the inclusion in this note of cash from the Company Social Benefits Fund and cash in hand not included in the note.

Credit risk related to loans

Regarding other financial assets of the Group, such as loans, the Group performed an impairment analysis of the loans granted. The amounts obtained in the analysis were deemed not to have a significant impact on the Group's consolidated financial statements.

37.4. Liquidity risk

The Group monitors its risk of shortage of funds, using a recurring liquidity planning tool . This tool takes into account the maturity of investments and financial assets (e.g. accounts receivables, other financial assets) and projected cash flows from operating activities.

The Group's goal is to maintain long-term financial stability, which is achieved through the use of various sources of financing, such as overdraft facilities, bank loans, bonds, leasing contracts and reverse factoring.

The table below presents the contractual maturity dates of the Group's financial liabilities for subsequent reporting periods. Derivatives were stated at fair value, while other liabilities were based on contractual undiscounted cash flows.

31 December 2022	Contractual due dates				Total (no discount)	Carrying amount
	up to 3 months	from 3 to 12 months	from 1 to 5 years	more than 5 years		
Liabilities due to credits, loans and debt instruments	–	53.2	101.9	–	**155.1**	**155.1**
Liabilities from leasing agreements	9.7	18.1	36.7	10.6	**75.1**	**66.2**
Liabilities from deliveries and services and other liabilities.	678.5	28.8	–	–	**707.3**	**707.3**
Liabilities due to debt factoring	–	18.3	–	–	**18.3**	**18.3**
Derivative financial instruments	7.6	9.8	–	–	**17.4**	**17.4**

31 December 2021	Contractual due dates				Total (no discount)	Carrying amount
	up to 3 months	from 3 to 12 months	from 1 to 5 years	more than 5 years		
Liabilities due to credits, loans and debt instruments	3.1	155.3	112.9	–	**271.3**	**259.8**
Liabilities from leasing agreements	7.9	19.7	42.8	9.8	**80.2**	**75.3**
Liabilities from deliveries and services and other liabilities.	819.1	25.9	–	–	**845.0**	**845.0**
Liabilities due to debt factoring	–	28.2	–	–	**28.2**	**28.2**
Derivative financial instruments	3.2	10.4	6.2	–	**19.8**	**19.8**

38. Derivatives

Under the hedging policy, derivatives are designated by the Group as cash flow and fair value hedges in accordance with the requirements of IFRS 9 (Financial Instruments). The Group also used net asset value hedging through CIRS transactions. As at 31 December 2022 CIRS contracts were executed. Other derivatives are treated as instruments held for trading (trading derivatives).

The following financial instruments are concluded in the Amica SA Capital Group

Derivatives subject to hedge accounting	
Foreign currency forward contracts	The Fx Forward contract is a contractual obligation to buy a foreign currency (sell a foreign currency) on a specific date in the future (the so-called execution date), at a predetermined exchange rate. In the case of a non-deliverable Fx Forward transaction, it is possible to settle the net transaction. The Group concludes currency forward contracts to hedge against fluctuations in EUR, CNY, GBP, USD, CZK exchange rates
CIRS	Currency Interest Rate Swap is an agreement between two parties, in which they establish the future exchange of interest streams in two currencies, on the terms specified in the agreement regarding the date and method of calculating the amount of cash flows. The Group uses this instrument to hedge against fluctuations in interest rates and the GBP exchange rate.
IRS	The IRS transaction consists in converting interest payments based on a variable reference rate into interest payments based on a fixed, predetermined interest rate or vice versa. Effectively, an IRS transaction is a series of FRA transactions with the same fixed interest rates. The Group concludes IRS contracts in order to hedge against interest rate fluctuations.

Derivatives not covered by hedge accounting	
Foreign currency forward contracts	The Fx Forward contract is a contractual obligation to buy a foreign currency (sell a foreign currency) on a specific date in the future (the so-called execution date), at a predetermined exchange rate. In the case of a non-deliverable Fx Forward transaction, it is possible to settle the net transaction. The Group enters into currency forward contracts to hedge against fluctuations in the RUB exchange rate.
Submission of European currency options (FX Risk Reversal type)	FX Risk Reversal is a combination of a purchased European plain vanilla put option with a lower strike price and a written European plain vanilla call option with a higher strike price. Both options have the same denomination and the same expiry date.

List of open derivatives positions for subsequent reporting days and for the comparable period

	31 December 2022			31 December 2021		
	Derivatives as part of hedge accounting	Derivatives outside of hedge accounting	Total	Derivatives as part of hedge accounting	Derivatives outside of hedge accounting	Total
Long-term financial assets	6.1	–	**6.1**	7.3	–	**7.3**
Short-term financial assets	9.1	–	**9.1**	47.0	1.9	**48.9**
Long-term financial liabilities	–	–	**–**	6.2	–	**6.2**
Short-term financial liabilities	17.4	–	**17.4**	13.3	0.3	**13.6**

The Group applies the principles of hedge accounting, as defined in IFRS 9, in respect of the transactions presented in the table below The effectiveness of the hedge is assessed on an ongoing basis and is effective when, at the time of establishing the hedge and throughout its duration, changes in the fair value of the hedged instrument as well as changes in cash flows are fully compensated by relative changes in the hedging instrument.

Within the framework of the risk management strategy, the Group assumes that the following factors may influence the hedge effectiveness under the established hedging relationships:

- value of the hedged item and the corresponding hedging transactions,
- time of settlement of hedging instruments in relation to the time of settlement of the hedged item.

Apart from the factors described above, in the current reporting period there were no other sources of hedge ineffectiveness.

Hedging derivatives under hedge accounting

31 December 2022

Transaction type	Type of hedging	Nominal transaction value in currency	The period of cash flow occurrence and its impact on the result	Financial assets	Financial liabilities
Forward contract in EUR	Securing the purchase of goods	1.7	up to 1 year	0.2	–
Forward contract in EUR	Securing the purchase of goods	2.7	up to 2 years	0.8	–
Forward contract in EUR	Securing the purchase of goods	54.7	up to 3 years	5.3	3.0
Forward contract in CNY	Securing the purchase of goods	260.3	up to 1 year	–	6.2
Forward contract in CNY	Securing the purchase of goods	557.1	up to 2 years	4.4	0.6
Forward contract in USD	Securing the purchase of goods, costs of sea freight	23.9	up to 1 year	–	4.1
Forward contract in USD	Sea freight cost insurance	3.2	up to 2 years	1.0	–
Forward contract in GBP	Securing the purchase of goods	8.6	up to 2 years	0.8	0.2
Forward contract in CZK	Securing sales revenues	477.9	up to 2 years	1.0	3.3
IRS Contract	Security for interest costs in PLN	30.0	up to 2 years	1.7	–
			Total	**15.2**	**17.4**

31 December 2022

Instrument category	Currency pair (base currency / quote currency)	Instrument price / price range
Forward contract	EUR/CZK	25.48771—26.7257
	EUR/CNY	7.1712—8.5208
	EUR/PLN	4.5201—5.429
	GBP/CNY	8.69536—9.0351
	GBP/PLN	5.148—5.6358
	CNY/PLN	0.63275—0.6913
	CZK/PLN	0.1743—0.2017
	USD/PLN	4.39—4.71

31 December 2022

Instrument category	Weighted average rate of hedging
IRS	1.97%

31 December 2021

Transaction type	Type of hedging	Nominal transaction value in currency	The period of cash flow occurrence and its impact on the result	Financial assets	Financial liabilities
Forward contract in EUR	Securing the purchase of goods	106.7	up to 2 years	6.2	—
Forward contract in EUR	Securing sales revenues	75.5	up to 3 years	0.2	10.2
Forward contract in CNY	Securing the purchase of goods	38.5	up to 1 year	1.6	—
Forward contract in CNY	Securing the purchase of goods	482.5	up to 2 years	35.4	0.8
Forward contract in USD	Securing the purchase of goods, costs of sea freight	17.1	up to 2 years	3.1	—
Forward contract in GBP	Securing sales revenues	16.0	up to 2 years	—	3.6
Forward contract in GBP	Securing the purchase of goods	163.9	up to 2 years	4.8	—
Forward contract in CZK	Securing sales revenues	504.8	up to 2 years	0.3	4.9
IRS Contract	Security for interest costs in PLN	50.0	until the loan is repaid	1.3	—
CIRS Contract	Net assets hedging	15.9	until the sale of the net assets	1.4	—
			Total	**54.3**	**19.5**

31 December 2021

Instrument category	Currency pair (base currency / quote currency)	Instrument price / price range
Forward contract	EUR/CZK	25.71—27.60
	EUR/CNY	7.5224—8.7140
	EUR/PLN	4.4020—4.6584
	GBP/CNY	8.6150—9.3850
	GBP/PLN	4.8782—5.5020
	CNY/PLN	0.5190—0.5819
	CZK/PLN	0.1678—0.1846
	USD/PLN	3.6311—4.1192
	RUB/PLN	0.0495—0.0566

31 December 2021

Instrument category	Weighted average rate of hedging
IRS	2.25%
CIRS	1.53%

In 2022 and 2021, the Group applied a hedge ratio of 1:1.

Valuation of financial instruments in equity and in the result in 2022 and in the comparable period

31 December 2022

	Balance sheet valuation of the instrument recognised in equity	Deferred tax recognized in equity	Balance sheet valuation of the instrument recognised in equity, net of deferred tax	Instrument valuation recognized in profit or loss
Forward contract in EUR	2.8	(0.5)	2.3	0.6
Forward contract in CNY	(0.8)	(0.2)	(1.0)	(1.2)
Forward contract in USD	(3.3)	0.5	(2.8)	(0.5)
Forward contract in GBP	0.4	(0.1)	0.3	0.2
Forward contract in CZK	(0.9)	0.2	(0.7)	(1.4)
IRS Contract	1.6	(0.3)	1.3	–
CIRS Contract	19.4	(3.7)	15.7	–
	19.2	**(4.1)**	**15.1**	**(2.3)**

31 December 2021

	Balance sheet valuation of the instrument recognised in equity	Deferred tax recognized in equity	Balance sheet valuation of the instrument recognised in equity, net of deferred tax	Instrument valuation recognized in profit or loss
Forward contract in EUR	(6.4)	1.9	(4.5)	2.2
Forward contract in CNY	16.1	(4.3)	11.8	20.2
Forward contract in USD	2.6	(0.4)	2.2	0.5
Forward contract in GBP	1.2	(0.2)	1.0	–
Forward contract in CZK	(2.9)	0.5	(2.4)	(1.7)
IRS Contract	1.2	(0.2)	1.0	0.1
CIRS Contract	18.6	(3.5)	15.1	–
	30.4	**(6.2)**	**24.2**	**21.3**

As at 31 December 2022, there were no transactions outside hedge accounting.

Hedging derivatives outside hedge accounting for 2021

31 December 2021

Transaction type	Type of hedging	Nominal transaction value in currency	The period of cash flow occurrence and its impact on the result	Financial assets	Financial liabilities
Option in RUB currency	Hedging the balance sheet item	700.0	do 4 months	0.5	0.3
Forward contract in RUB	Hedging the balance sheet item	1,429.0	do 4 months	1.4	–
			Total	**1.9**	**0.3**

As at the balance sheet date, the Group a was party to forward contracts, for which it had the right of set-off (in accordance with the IAS 32). The right to set off results from the analysis of contracts with banks where the value of the liability is equal to the value of the asset (symmetrical contracts). As a result of this approach, the Group did not recognize the closing balances of two wash-outs in its books, as their balance after offsetting amounted to 0.00 zł.

Types, nominal values and fair values of the contracts, whose valuation as at the balance sheet date of 31 December 2022 was offset:

- forward contracts for the purchase / sale of EUR currency – nominal value purchase 9 million EUR / sale 9 million EUR , fair value respectively 0.2 million zł / – 0.2 million zł
- forward contracts for the purchase / sale of CNY currency – nominal value purchase 100 million CNY / sale 100 million CNY , fair value respectively 5.7 million zł / – 5.7 million zł
- forward contracts for the purchase / sale of GBP currency – nominal value purchase 2.9 million GBP / sale 2.9 million GBP , fair value respectively 1.5 million zł / – 1.5 million zł

Components of other comprehensive income resulting from the application of the hedge accounting principles by the Group have been included in separate items of the consolidated statement of profit or loss and other comprehensive income. Capital from revaluation of cash flow hedging instruments as at 31 December 2022 amounted to **0.2 million zł** (**8.1 million zł** in 2021).

Fair value of financial instruments

Fair value is defined as the amount at which an asset could be exchanged under market conditions, and the obligation fulfilled, between knowledgeable, interested and unrelated parties For the financial instruments for which there is an active market, their fair value is determined based on the parameters from the active market (sale and purchase prices). For financial instruments for which there is no active market, the fair value is determined using the valuation techniques that make maximum use of market inputs and variables from active markets (exchange rates, interest rates, etc).

Techniques used to measure financial instruments include:

- in the case of forward currency transactions – the present value of future cash flows based on forward exchange rates as at the balance sheet date,
- in the case of currency options – option pricing models,
- in the case of CIRS – a model built by the Group.

Fair value hierarchy of Financial Instruments:

Classes of financial instruments	31 December, 2022 level 2	31 December, 2021 level 2
Loans granted	–	0.1
Receivables from clients	493.9	725.6
Other financial assets	0.4	0.4
Financial derivatives, including:		
Assets	*15.2*	*56.2*
Liabilities	*17.4*	*19.8*

Additional information on derivatives

Changes in the value of financial instruments in equity for 2022 and the comparable period are presented in the table below:

Revaluation of hedging instruments capital	Forward contracts	IRS	CIRS
As at 1 January 2022	**8.1**	**1.0**	**15.1**
Change in the fair value of financial instruments	(11.4)	0.4	0.8
Reclassification to the financial result	(1.0)	–	–
Deferred tax change	2.4	(0.1)	(0.2)
As at 31 December 2022	**(1.9)**	**1.3**	**15.7**

Revaluation of hedging instruments capital	Forward contracts	IRS	CIRS
As at 1 January 2021	**4.4**	**(1.9)**	**16.3**
Change in the fair value of financial instruments	6.0	3.6	2.3
Reclassification to the financial result	0.7	–	–
Deferred tax change	(3.0)	(0.7)	(3.5)
As at 31 December 2021	**8.1**	**1.0**	**15.1**

38.1. The fair values of particular classes of financial instruments

According to the Group's assessment, the balance sheet value of financial assets and financial liabilities does not differ from fair values, mainly due to the short maturity

38.2. Financial income and expenses recognized in the statement of comprehensive income, broken down by category of financial instruments

	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
Interest revenue related to financial instruments not measured at fair value through profit or loss		
Loans and receivables	1.3	0.1
Interest revenue related to financial instruments not measured at fair value through profit or loss	**1.3**	**0.1**
Profits from the valuation and execution of financial instruments measured at fair value through profit or loss:		
Trade derivatives	6.5	3.3
Hedging derivatives	3.7	8.9
Derivative instruments closed as ineffective	0.7	4.1
Profits from the valuation and execution of financial instruments measured at fair value through profit or loss:	**10.9**	**16.3**
Profit (loss) (+/-) on exchange rate differences:		
Cash and cash equivalents	13.4	15.6
Loans and receivables	18.0	8.7
Financial liabilities valued at amortised cost	32.4	0.6
Profit (loss) (+/-) on foreign exchange differences	**63.8**	**24.9**
TOTAL FINANCIAL REVENUE	**76.0**	**41.3**
According to the balance of financial revenues and costs	4.4	22.8
Financial revenue recognised in the statement of comprehensive income	71.6	18.5

	For the period of 12 months ended 31 December, 2022	For the period of 12 months ended 31 December, 2021
Interest costs regarding financial instruments not valued by their fair market price by the financial result		
Interest on leasing	2.9	1.6
Credit in credit account	3.4	2.4
Current account overdraft	6.2	1.9
Debt securities	5.1	1.3
Interest on factoring	15.8	2.0
Liabilities from deliveries and services and other liabilities.	0.5	0.1
Interest costs regarding financial instruments not valued by their fair market price by the financial result	**33.9**	**9.3**
Losses from the evaluation and realisation of financial instruments measured as a fair market value by the profit and loss account		
Hedging derivatives	25.7	6.5
Derivative instruments closed as ineffective	25.4	17.6
Losses from the evaluation and realisation of financial instruments measured as a fair market value by the profit and loss account	**51.1**	**24.1**
(Profit) losses (-/+) on foreign exchange differences:		
Financial liabilities valued at amortised cost	-	9.7
(Profit) losses (-/+) on foreign exchange differences:	**-**	**9.7**
Other financial costs	5.3	3.2
TOTAL FINANCIAL COSTS	**90.3**	**46.3**
According to the balance of financial revenues and costs	4.4	22.8
Finance costs recognised in the statement of comprehensive income	85.9	23.5

Figures for the year 2022 presented in above tables differ from the financial revenue and expenses included in the statement of comprehensive income by the amount of **4.4 million zł** (cf. **22.8 million zł** for the year 2021) i.e. the value of changes in valuation and exercise of hedging financial instruments measured at fair value. In the statement of comprehensive income, these figures have an impact on the balance of other financial costs.

Other comprehensive income streams resulting from the Group's application of hedge accounting principles have been recognized in separate items of the consolidated statement of comprehensive income. Capital from revaluation of cash flow hedging instruments as at 31 December, 2022 amounted to **15.1 million zł** (**24.2 million zł** in 2021).

39. Capital management

The main objective of the Group's equity management is to maintain a strong credit rating and healthy capital ratios in order to support the Group's operations and increase value for its shareholders.

The Group manages its capital structure and revises the same as a result of changes in the economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payments to shareholders, return capital to shareholders or issue new shares. In the year ended 31 December 2022 and 31 December 2021, no changes were introduced in the objectives, policies and processes in this area.

The Group monitors the equity level based on the carrying amount of the equity and the capital reserve from revaluation of derivatives used as cash flow hedges. Based on the equity amount determined in this way, the Group calculates the total debt-to-equity ratio.

In addition, to monitor its debt servicing ability, the Group calculates the debt (i.e. liabilities from leases, credit, loans and other debt instruments, net of cash) to EBITDA (profit or loss on operating activities adjusted by depreciation costs) ratio, which is in line with the most important provisions of credit lines concluded within the Capital Group. In order to maintain an appropriate financing structure, the Group in the long term strives for the level of the net debt / EBITDA ratio to be no more than 3. During the reporting period and as at the date of signing these consolidated financial statements, the Group met these conditions.

Capital:	31 December 2022	31 December 2021
Equity capital	1,107.1	1,142.9
Capital from valuation of hedging instruments securing cash flows (-)	0.6	(9.1)
Capital	**1,107.7**	**1,133.8**

	31 December 2022	31 December 2021
Equity capital	1,107.1	1,142.9
Credit, loans and other debt instruments	155.1	259.8
Liabilities from leasing agreements	66.2	75.3
Total sources of financing	**1,328.4**	**1,478.0**
Ratio of capital to total financing sources	**0.83**	**0.77**

EBITDA	31 December 2022	31 December 2021
Profit on operating activities	18.1	149.9
Depreciation	69.6	65.9
EBITDA	**87.7**	**215.8**

Debt:	31 December 2022	31 December 2021
Credit, loans and other debt instruments	155.1	259.8
Liabilities from leasing agreements	66.2	75.3
Debt	**221.3**	**335.1**

	31 December 2022	31 December 2021
Cash and cash assets	**166.4**	**59.9**
Net debt to EBITDA ratio [1]	**0.63**	**1.28**

[1] The net debt to EBITDA ratio shown in the table above was calculated in a standard manner, which may differ from the methodology of calculating the ratio adopted by banks.

40. Employment structure

Employment in the Group as at 31 December 2022 and as at 31 December 2021 was as follows:

	31 December 2022	31 December 2021
Management Board of the Parent Company	5	6
Management Boards of the Group Companies	19	20
White collar employees	1,162	1,154
Blue-collar employees	2,067	2,149
Total	**3,253**	**3,329**

41. Other information

Shareholders holding directly or indirectly at least 5% of the total number of voting rights at the General Meeting of Amica S.A.

As at 31 December, 2022	Number of shares	Share in capital [%]	Number of votes	Share in the total number of votes [%]	Nominal value of shares
Holding Wronki Sp. z o.o. (formerly Holding Wronki S.A.)	2,715,771	34.9%	5,431,542	51.8%	5.4
NATIONALE-NEDERLANDEN Open Pension Fund (formerly ING OFE)*	555,952	7.2%	555,952	5.3%	1.1
Aviva PTE Aviva Santander S.A.*/**	537,497	6.9%	537,497	5.1%	1.1
Other shareholders ***	3,966,053	51.0%	3,967,360	37.8%	8.0
Total	**7,775,273**	**100.0%**	**10,492,351**	**100.0%**	**15.6**

[1] Data indicated based on the content of the notifications received by the Company from its Shareholders, and drawn up under Article 69 of the Public Offering Act of 29 July, 2005.

[2] On 5 January 2023, the Issuer received a notification that as a result of the merger pursuant to art. 67 of the Act of 28 August, 1997 on the Organisation and Operation of Pension Funds and Art. 492 § 1 point 1 of the CCC, on 30 December, 2022 with Aviva Powszechne Towarzystwo Emerytalne Aviva Santander Spółka Akcyjna managing the Second Allianz Polska Otwarty Fundusz Emerytalny (Drugi Allianz OFE), share in the share capital and in the total number of votes of AMICA S.A. on the accounts Allianz OFE, Allianz DFE and the second Allianz OFE increased above 6%. As at the merger date, the account of the Second Allianz OFE had 710,434 shares, representing 9.14% of the company's share capital, which gave the right to exercise 710,434 votes from shares representing 6.77% of the total number of votes at the company's AGM (see: current report 01/2023 of 10 January, 2023),

[3] The Company, under the Own Shares Buyback Program, the Company acquired 250,000 ordinary bearer shares of Amica S.A. marked with the ISIN PLAMICA00010 code (see: Current Report No. 35/2018 of 16 October, 2018); the pool of shares granted to the eligible persons as part of the Incentive Scheme settlement for the period 2019-2022 amounted to a total of 146,171 shares.

Shares held by members of the Management Board of Amica SA

	Number of shares as at 31 December, 2022	Purchase (sale) of shares (in pcs.)	Number of shares as at 31 December, 2021
Michał Rakowski	22,212	7,218	14,994
Marcin Bilik	33,383	9,624	23,759
Alina Jankowska-Brzóska	33,383	9,624	23,759
Robert Stobiński	19,607	7,218	12,389

The shares listed in the table above are owned by persons remaining in the statutory community property regime.

Shares owned by the Members of the Supervisory Board of Amica S.A.

	Number of shares as at 31 December, 2022	Purchase (sale) of shares (in pcs.)	Number of shares as at 31 December, 2021
Mr Tomasz Rynarzewski	400	–	400

The table below presents the list of Management Board members who were awarded shares under the Company's Incentive Scheme for 2019-2026.

Full name	Number of shares awarded for the financial year 2019	Comments	Number of shares awarded for the financial year 2020	Comments	Number of shares awarded for the financial year 2021	Comments
Marcin Bilik	11,462	Lock-up until the end of September 2022 [4]	12,297	Lock-up until the beginning of July 2023 [5]	9,624	Lock-up until the beginning of July 2024 [6]
Alina Jankowska-Brzóska	11,462	Lock-up until the end of September 2022 [4]	12,297	Lock-up until the beginning of July 2023 [5]	9,624	Lock-up until the beginning of July 2024 [6]
Michał Rakowski	4,772	Lock-up until the end of September 2022 [4]	9,222	Lock-up until the beginning of July 2023 [5]	7,218	Lock-up until the beginning of July 2024 [6]
Robert Stobiński	2,117	Lock-up until the end of September 2022 [4]	9,222	Lock-up until the beginning of July 2023 [5]	7,218	Lock-up until the beginning of July 2024 [6]

[4] There is a lock-up for selling and disposing of shares under the Own Shares Scheme within 2 (two) years from the date of purchase of Own Shares (lock-up), i.e. until the end of September 2022.

[5] There is a lock-up for selling and disposing of shares under the Own Shares Scheme within 2 (two) years from the date of purchase of Own Shares (lock-up), i.e. until the beginning of July 2023.

[6] There is a lock-up for selling and disposing of shares under the Own Shares Scheme within 2 (two) years from the date of purchase of Own Shares (lock-up), i.e. until the beginning of July 2024.

42. Events after the balance date

On 28 February, 2023, an agreement was concluded under which Marcelin Management spółka z o. o. with its registered office in Poznań sold 100% of the shares held in the share capital of Nowe Centrum spółka z o. o. with its registered office in Poznań (KRS No. 0000347466) .

Amica S.A. holds 100% of shares in Marcelin Management Spółka z o. o. with its registered office in Poznań (KRS No. 0000315616).

Due to the conclusion of the agreement referred to above, Marcelin Management Spółka z o. o. ceased to have share rights in the share capital of Nowe Centrum Spółka z o. o., and consequently the company is no longer part of the Amica S.A. Capital Group.

The sale price of 100% of shares under the name of Nowe Centrum Spółka z o.o., specified in the agreement, amounted to **14.0 million zł**.

43. Approval for publication

These Consolidated Annual Financial Statements drawn up for the period from 1 January to 31 December, 2022 (including comparative data) were approved for publication by the Management Board of the parent company on 30 March, 2023.

SIGNATURES OF THE APPROVERS

JACEK RUTKOWSKI

President of the Management Board

MARCIN BILIK

First Vice President of the Management Board

ALINA JANKOWSKA-BRZÓSKA

Vice President of the Management Board

MICHAŁ RAKOWSKI

Member of the Management Board

ROBERT STOBIŃSKI

Member of the Management Board

Approved 30 March, 2023

Publication 31 March, 2023

Amica S.A. Capital Group

Report of an Independent Statutory Auditor
on the audit of the Annual Consolidated Financial Statements

Independent auditor's report on the audit

For the General Meeting and the Supervisory Board of Amica S.A.

Auditor's Report on the Annual Consolidated Financial Statements

Our opinion

In our opinion, the attached annual consolidated financial statements:

- present a reliable and clear picture of the consolidated property and financial standing of the Amica S.A. Capital Group ("Group"), in which the parent company is Amica S.A. ("Parent Company") as at 31 December, 2022, and the consolidated financial result and consolidated cash flows of the Group for the financial year ended on that date in accordance with the applicable International Financial Reporting Standards approved by the European Union and the adopted accounting principles (policy);
- in terms of form and content comply with the provisions of law applicable to the Group and the Parent's Articles of Association.

This opinion is consistent with our additional report to the Audit Committee which we issued as at the date of this report.

The subject of our audit

We have audited the annual consolidated financial statements of the Amica SA Capital Group, which include:

- consolidated statement of financial position as at 31 December 2022; and drawn

up for the financial year from 1 January 2022 to 31 December 2022:

- consolidated statement of comprehensive income,
- consolidated statement of cash flows;
- consolidated statement of changes in equity, and
- additional information containing a description of significant adopted accounting policies and additional explanatory notes.

Basis for the Opinion

We conducted our audit in accordance with the National Auditing Standards in the wording of the International Standards on Auditing adopted by a resolution of the National Council of Statutory Auditors (pol. "KSB") and pursuant to the provisions of the Act of 11 May, 2017 on statutory auditors, audit firms and public supervision ("Act on statutory auditors"), as well as EU Regulation No. 537/2014 of 16 April, 2014 on detailed requirements for statutory audits of financial statements of public-interest entities ("EU Regulation").
Our responsibilities under the rules of KSB are further described in the section: Responsibility of the statutory auditor for auditing the annual consolidated financial statement

We believe that the audit evidence we have obtained is sufficient and appropriate to constitute basis for our opinion.

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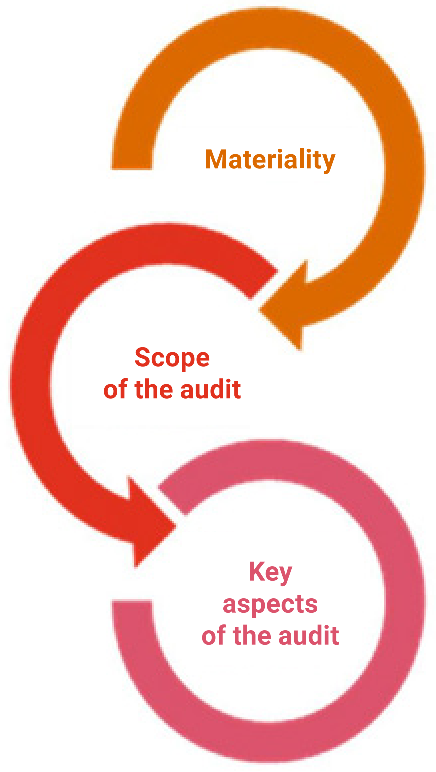
PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp.k. is entered in the National Court Register kept by the District Court for the Capital City of Warsaw, under the number KRS 0000750050, NIP 526-021-02-28. The seat of the Company is in Warsaw, ul. Polna 11.

Independence

We are independent from the Group in accordance with the International Code of Ethics for Professional Accountants (including the International Standards on Independence) issued by the International Ethical Standards Board for Accountants (the "IESBA Code") adopted by resolution of the National Council of Statutory Auditors and other ethical requirements that apply to our audit consolidated financial statements in Poland. We have fulfilled our other ethical duties in accordance with these requirements and IESBA Code. During the audit, the key statutory auditor and the audit firm remained independent from the Group in accordance with the independence requirements set out in the Act on Statutory Auditors and in the EU Regulation.

Our approach to the Audit

Summary



- The overall materiality adopted for the audit was determined at the level of 24,100,000 zł, which is 0.75% of revenues from contracts

- We conducted an audit of the Parent Company and two subsidiaries in two countries, as well as audit procedures for selected items of the financial statements for three subsidiaries. Additionally, for three subsidiaries, we relied on the work of local auditors in three more countries. The scope was agreed by setting out in the form of instructions issued by us containing specific audit procedures.
- The audit team visited the following subsidiaries: Amica International GmbH (Germany), Sideme S.A. (France).
- The scope of our audit covered 93% of the Group's revenue and 93% of the absolute value of its financial result.

- Impairment of non-current assets (goodwill and trademarks)
- Recognition of sales revenues

We designed our audit by determining materiality and assessing the risks of material misstatement of the consolidated financial statements. In particular, we considered where the Management Board of the Parent Company made subjective judgments; for example, in relation to significant accounting estimates that required assumptions and the consideration of future events that are inherently uncertain. We also addressed the risk of management bypassing internal checks, including, among other matters, we considered whether there was evidence of management bias that would pose a risk of material misstatement due to fraud.

We have adjusted the scope of our audit to perform sufficient work to enable us to express an opinion on the consolidated financial statements as a whole, taking into account the Group's structure, accounting processes and controls, and the industry in which the Group operates.

Relevance

The adopted significance level influenced the scope of our audit. The audit was designed to obtain reasonable assurance whether the consolidated financial statements as a whole are free from material misstatement. Misstatements may arise from fraud or error.
Misstatements are considered material if it can be reasonably expected that, individually or in combination, they could influence economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgment, we have established quantitative thresholds for materiality, including overall materiality for the consolidated financial statements as a whole, as set out below. These thresholds, together with qualitative factors, have allowed us to determine the scope of our audit and the nature, timing and extent of audit procedures, and to assess the impact of misstatements, both individually and collectively, on the consolidated financial statements as a whole.

Overall materiality for the Group	24,100,000 zł.
Basis for the determination	0.75% of revenue from contracts with customers
Substantiation of the adopted basis	For the Amica Group, we have adopted the level of annual revenue from contracts with customers as the basis for determining materiality, because in our opinion this measure is appropriate for assessing the Group's operations by users of financial statements and is a generally accepted reference indicator when the audited entity achieves losses or profits before tax close to zero. We assumed materiality at 0.75% because, based on our professional judgment, it is within the acceptable quantitative materiality thresholds.

We agreed with the Audit Committee of the Parent Company that we would inform about the misstatements of the consolidated financial statements identified during the audit, with a value greater than 970,000 zł, as well as misstatements below this amount, if in our opinion it would be justified due to qualitative factors.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These include the most significant assessed risks of material misstatement, including the assessed risks of material misstatement due to fraud. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion. We do not express a separate opinion on these matters.

Key audit matter	How our audit referred to this matter?
Impairment of non-current assets (goodwill and trademarks) In note 10.12 of the consolidated financial statements, the Group presented the accounting principles, and in note 22 - disclosures concerning the performed impairment tests in relation to goodwill and trademarks, including test results, a description of the assumptions and a sensitivity analysis. As at 31 December, 2022, the balance of goodwill recognised in the Group's consolidated financial statements is 43.8 million zł, while the balance of trademarks owned is 92.4 million zł (as at 31 December, 2021: 44.2 million zł, and 94.0 million zł respectively). The Management Board conducts impairment tests at least at the end of each financial year. The tests performed did not show any impairment in relation to the above-mentioned assets both in 2022 and in the previous year. The recoverable amount of assets was determined as value in use or fair value. Conducting an impairment test is related to the necessity to adopt a number of assumptions and make judgments by the Management Board regarding, such as the identification of cash generating units, the adopted strategy of the Group, financial plans and cash flow forecasts for subsequent years, including after the period covered by detailed forecasts, and macroeconomic and market assumptions. Considering the materiality of the items in the consolidated financial statements, as well as due to judgments and estimates and the adopted assumptions for testing, this issue was the subject of our analysis and was considered a key audit matter.	Our audit procedures required, in particular: • understand and assess the process of identifying the premises for impairment of assets and the correctness of grouping, including goodwill and trademarks, into cash-generating units in accordance with the relevant financial reporting standards; • check the mathematical validity and methodological consistency (with the use of PwC's internal valuation specialists) of the valuation model prepared by the Management Board based on discounted cash flows and the license fee exemption model for selected trademarks; • a critically assess the assumptions made by the Management Board and estimates made to determine the recoverable amount of non-current assets, including: – five-year projection period of future cash flows and the assumed level of revenues, operating margin and projected changes in net working capital; – applied discount rates (based on the weighted average cost of capital) using internal PwC specialists; – marginal growth rates after the forecast period, • critical assessment of the assumptions adopted by the Management Board and the estimates made to determine the fair value of selected trademarks (brands), including, among others: - the dynamics of sales revenues for individual brands; - royalty rates expressed as a percentage of brand sales revenue; - stable growth rate; - applied discount rates (based on the weighted average cost of capital) using internal PwC specialists; • assessment of the sensitivity analysis of the valuation result to changes in the assumptions made by the Management Board; • assess the validity and completeness of disclosures regarding impairment tests in the consolidated financial statements.
Recognition of sales revenues The Group presented the principles of recognizing revenues from contracts with customers in note 10.26 and disclosures related to revenues from sales in notes 11 and 12 to the consolidated financial statements. In the financial year ended 31 December, 2022, the Group's revenues totalled 3,415.8 million zł (in 2021: 3,433.9 million zł) for the following reasons: • sales of product to external customers (mainly revenue from the sale of free-standing appliances, built-in heating appliances, other heating appliances); • from the sale of goods to external customers ((other household appliances)); • other revenues including the sale of services, e.g. maintenance services and the sale of spare parts, materials and waste. This matter was the subject of our special attention due to the fact that the application of appropriate financial reporting standards regarding the recognition, valuation and presentation of revenues is complex and requires the Management Board to make accounting estimates and judgments, including those related to assigning the transaction price resulting from the agreements signed with clients to perform obligations, assessing whether marketing services related to the sales performed constitute a separate obligation to perform the service. Moreover, the correct determination of revenue is also based on the use of complex IT data processing systems. Due to the materiality and importance of the revenue item in the consolidated financial statements, the need for estimates and judgments, and the potential risk of fraud, we have identified this as a key matter to be audited.	Our audit procedures required, in particular: • understand and assess the internal control environment, including the IT environment, regarding the recognition, valuation and presentation of individual types of sales revenues; • assess compliance of the accounting policies relating to the recognition of revenues with the relevant financial reporting standards, in particular those related to significant accounting estimates and judgments; • assess the assumptions and estimates of the Management Board related to the recognition of revenues, mainly in the scope of identification of performance obligations, accounting recognition and estimation of granted discounts, as well as accounting recognition of mutual transactions with the Group's contractors; • analyse significant sales agreements and accompanying contracts concluded by the Group; • tests internal checks, on a selected sample, in terms of the correctness and accuracy of the applied selling prices and compliance of the invoice with the order / price list and compliance of the invoice with the shipping document; • detailed tests, for a selected sample, consisting of e.g. on confirmations of certain aspects of transactions with customers or reconciliation of sales invoices issued, documents of issue and delivery of products and goods sold, to relevant contracts with customers, sales prices applied and payments received; • detailed tests on the validity of the time of revenue recognition based on the selected sample; • tests, on a selected sample, of the validity and completeness of the recognition of sales discounts and marketing campaigns; • analyse non-standard posting patterns in the transaction log in the audited year; • consider the element of unpredictability when selecting the type, timing and extent of audit procedures.

Responsibility of the Management Board and Supervisory Board for the consolidated financial statements

The Management Board of the Parent Company is responsible for the preparation of the annual consolidated financial statements that present a fair and clear picture of the property and financial position and financial result of the Group in accordance with the International Financial Reporting Standards approved by the European Union, adopted accounting principles (policy) and applicable laws, regulations and Articles of Association of the Parent Company, and for internal checks that the Management Board deems necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the consolidated financial statements, the Parent's Management Board is responsible for assessing the Group's ability to continue as a going concern, disclosing, if applicable, going concern matters and adopting the going concern basis as the basis of accounting, except when the Management Board intends to liquidate the Group, discontinue the business, or there is no viable alternative to winding up or discontinuing the business.

The Management Board of the Parent Company and members of the Supervisory Board are required to ensure that the consolidated financial statements meet the requirements provided for in the Act of 29 th September, 1994 on accounting ("Accounting Act"). Members of the Supervisory Board are responsible for overseeing the financial reporting process.

Responsibility of the statutory auditor for auditing the annual consolidated financial statement

Our objectives are to obtain reasonable assurance that the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable certainty is a high level of certainty but does not guarantee that the audit carried out pursuant to KSB shall always detect the existing material misstatements. Misstatements may arise as a result of fraud or error and are considered material if it can reasonably be expected that they could, either individually and collectively, influence the economic decisions that users make on the basis of the Annual Consolidated Financial Statements.

The scope of the statutory audit does not include the assurance as to the future profitability of the Group or the effectiveness or efficiency of the management of its affairs by the Management Board of the Parent Company now or in the future.

During the audit carried out in accordance with the KSB, we use professional judgement and maintain professional scepticism and:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatement due to fraud is greater than that due to error because fraud may include collusion, forgery, willful omission, misrepresentation or the circumvention of internal checks;
- we obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the given circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- we assess the adequacy of the applied accounting principles (policy) and the validity of accounting estimates and related disclosures made by the Management Board of the Parent Company;
- we draw a conclusion on the appropriateness of the application by the Management Board of the parent of the going concern basis as the basis of accounting and, based on the audit evidence obtained, whether there is a material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that there is a material uncertainty, we are required to draw attention in the auditor's report to related disclosures in the consolidated financial statements or, if such disclosures are inadequate, we modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report, however future events or conditions may cause the Group to discontinue going concern;
- we assess the overall presentation, structure and content of the consolidated financial statements, including disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that achieves fair presentation;
- we obtain sufficient and adequate audit evidence regarding the financial information of business units or business operations within the Capital Group for the purpose of expressing an opinion on the consolidated financial statement. We are responsible for the management, supervision and performance of the Group audit, and we remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, inter alia, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

We make a statement to the Audit Committee that we have complied with relevant ethical requirements regarding independence and that we communicate all relationships and other matters that could reasonably be considered to pose a threat to our independence, and where applicable, provide information about actions taken to eliminate these threats and applied security measures.

Among the matters communicated to the Audit Committee, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation prohibits public disclosure or when, in exceptional circumstances, we determine that the matter should not be communicated in our report because the negative consequences would reasonably be expected to outweigh the negative consequences to the public interest of such disclosure.

Other information, including operating statement

Other information.

Other information includes:
- report of the Management Board on the activities for the financial year ended 31 December, 2022 ("Report on activities"), accompanied by a statement on the application of corporate governance and a statement on non-financial information referred to in Art. 55 sec. 2b of the Accounting Act, which are separate parts of this Report of the Management Board on activities,
- other documents making up the Annual Report for the financial year ended 31 December, 2022 ("Annual Report"),

(collectively "Other Information"). The other information does not include the consolidated financial statements and the auditor's report thereon.

Responsibility of the Management Board and the Supervisory Board

The Management Board of the Parent Company is responsible for the preparation of Other Information in accordance with the law.

The Management Board of the Parent Company and members of the Supervisory Board are obliged to ensure that the Report of the Management Board on the activities, together with separate parts, meets the requirements provided for in the Accounting Act.

Responsibility of the auditor

Our opinion on the audit of the consolidated financial statements does not cover other information.

In connection with our audit of the consolidated financial statements, our responsibility resulting from the National Auditing Standards is to read the Other Information and, in doing so, consider whether it is materially inconsistent with the consolidated financial statements, with our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If, on the basis of the work performed, we find a material misstatement of Other Information, we are required to disclose this in our audit report. Our duty, in accordance with the requirements laid down in the Act on Statutory Auditors, is also to issue an opinion on whether the Report of the Management Board on the activities was drawn up in accordance with the law and whether it is consistent with the information provided in the annual consolidated financial statements.

In addition, we are required to issue an opinion as to whether the Group has provided the required information in the corporate governance statement and to inform whether the Group has drawn up a statement on non-financial information.

Statement on Other Information

We represent that in the light of the knowledge about the Group and its environment obtained during our audit, we have not found any material misstatements in the Report of the Management Board on the activities and in other information.

Opinion on the Report on Activity

Based on the work performed during the audit, in our opinion, the Report of the Management Board on the activities:

- was drawn up in accordance with the requirements of Art. 49 of the Accounting Act and paragraph 71 of the Regulation of the Minister of Finance of 29 March, 2018 on current and periodic information published by issuers of securities and conditions for recognising as equivalent information required by the laws of a non-member state ("Regulation on current information");
- is consistent with the information provided in the consolidated financial statements.

Opinion on the statement on the application of corporate governance

In our opinion, in the statement on the application of corporate governance, the Group provided the information specified in par. 70 sec. 6 point 5 of the Regulation on current information. Moreover, in our opinion, the information referred to in paragraph 70 sec. 6 point 5 letters c–f, h and i of this Regulation provided in the statement on the application of corporate governance are consistent with the applicable regulations and the information provided in consolidated financial statements.

Information on non-financial information

In accordance with the requirements of the Act on Statutory Auditors, we confirm that the Group has prepared a statement on non-financial information referred to in Art. 55 section 2b of the Accounting Act as a separate part of the Management Board's report on activities.

We have not performed any assurance work with respect to the non-financial statement, and we do not express any assurance thereon.

Report on other legal requirements and regulations

Opinion on the compliance of the labelling of the consolidated financial statements with the requirements of the European Single Electronic Format (“ESEF”)

In connection with the audit of the consolidated financial statements, we were engaged by the Management Board of the Parent Company, under the agreement for the audit of the consolidated financial statements, to perform an assurance service providing reasonable assurance in order to express an opinion whether the Group's consolidated financial statements as at and for the year ended 31 December, 2022 were prepared consistently using the single electronic format contained in the file named AMICA-31-12-2022-PL.zip ("consolidated financial statements in ESEF format") has been labelled in accordance with the requirements set out in Article 4 of Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards concerning the specification of a single electronic reporting format (“ESEF Regulation”).

Description of the subject of the order and applicable criteria

The consolidated financial statements in the ESEF format have been prepared by the Management Board of the Parent Company in order to meet the technical requirements regarding the specification of a uniform electronic reporting format and labelling, which are set out in the ESEF Regulation.

The subject of our assurance service is the compliance of the consolidated financial statements in the ESEF format with the requirements of the ESEF Regulation, and the requirements set out therein constitute, in our opinion, appropriate criteria for our opinion.

Responsibility of the Management Board of the Parent Company and the Supervisory Board

The Management Board of the Parent Company is responsible for the preparation of the consolidated financial statements in the ESEF format in accordance with the technical requirements regarding the specification of a European Single Electronic Format, which are set out in the ESEF Regulation. This responsibility includes the selection and application of appropriate XBRL tags using the taxonomy specified in the ESEF Regulation. The responsibility of the Management Board also includes the design, implementation and maintenance of the internal control system ensuring the preparation of consolidated financial statements in the ESEF format free from material inconsistencies with the requirements of the ESEF Regulation and its marking in accordance with these requirements.

Members of the Parent Company's Supervisory Board are responsible for overseeing the financial reporting process, which includes the preparation of consolidated financial statements in accordance with the legal format.

Responsibility of the auditor

Our goal was to express an opinion, based on the performed assurance service, giving reasonable assurance whether the consolidated financial statements in the ESEF format were marked, in all material respects, in accordance with the requirements of the ESEF Regulation.

We have provided our service in accordance with the National Standard of Attestation Services Other than the Audit and Review 3001pl - audit of financial statements prepared in a European Single Electronic Format ("KSUA 3001pl") and, where appropriate, with the National Standard of Attestation Services Other than the Audit and Review 3000 (C) in the wording of the International Standard on Assurance Services 3000 (amended) - “Assurance services other than audits and reviews of historical financial information” issued by the National Council of Statutory Auditors ("KSUA 3000 (Z)".

These standards require us to comply with ethical requirements, plan and perform procedures to obtain reasonable assurance that the consolidated financial statements in the ESEF format are labelled, in all material respects, in accordance with specified criteria.

Reasonable certainty is a high level of certainty, but it does not guarantee that the service performed in accordance with KSUA 3001pl and, where applicable, with KSUA 3000 (Z), will always detect a material misstatement (material non-compliance).

The procedures selected depend on the auditor's judgment, including the auditor's assessment of the risks of material misstatement, whether due to fraud or error. In performing those risk assessments, the auditor shall consider the internal control related to the preparation of the consolidated financial statements in the ESEF format and its labelling in order to plan appropriate procedures to provide the auditor with sufficient evidence appropriate to the circumstances. The assessment of the functioning of the internal control system was not carried out in order to express an opinion on the effectiveness of its operation.

Quality control and ethical requirements

We apply the provisions of the Resolution of the National Council of Statutory Auditors on the principles of internal quality control in the wording of the International Standard on Quality Control 1 (IAASB) and in accordance with it, we maintain a comprehensive quality control system including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable requirements legal and regulatory.

We comply with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including the International Standards of Independence) issued by the International Ethical Standards Board for Accountants and adopted by resolution of the National Council of Statutory Auditors, which is based on the fundamental principles of honesty, objectivity, professional competence and due diligence, confidentiality and professional conduct.

Summary of the work performed

The procedures planned and performed by us were aimed at obtaining reasonable assurance whether the consolidated financial statements in the ESEF format were marked, in all material respects, in accordance with the applicable requirements. Our procedures included, among others:

- gain understanding of the process of preparing consolidated financial statements in the ESEF format, including the process of selecting and applying XBRL tags by the Group and ensuring compliance with the ESEF Regulation, including an understanding of the internal control mechanisms related to this process;
- reconcile, on a selected sample, tagged information provided in the consolidated financial statements in the ESEF format with the audited consolidated financial statements;
- assess compliance with the technical standards relating to the specification of the European Single Electronic Format, including the use of XHTML;
- assess the completeness of the tagging of information in the consolidated financial statements in the ESEF format with XBRL tags;
- assess whether the XBRL tags from the taxonomy specified in the ESEF Regulation have been properly applied and whether the extensions of the taxonomy have been appropriately used in situations where the underlying taxonomy specified in the ESEF Regulation has not identified relevant elements;
- assess the correctness of anchoring the applied taxonomy extensions in the basic taxonomy specified in the ESEF Regulation.

We believe that the evidence we have obtained is sufficient and appropriate to support our opinion.

Opinion

In our opinion, based on the procedures performed, the consolidated financial statements in the ESEF format have been marked up, in all material respects, in accordance with the requirements of the ESEF Regulation.

Statement on the provision of non-audit services

To the best of our knowledge and belief, we declare that the non-audit services we have provided to the Parent Company and its subsidiaries comply with the laws and regulations in force in Poland and that we have not provided non-audit services that are prohibited under Art. 5 section 1 of the EU Regulation and Art. 136 of the Act on statutory auditors.

The non-audit services that we provided to the Parent Company and its subsidiaries in the audited period are listed in the Report on the Group's activities.

Choice of the audit firm

We were selected for the first time to audit the Group's annual consolidated financial statements by resolution of the Supervisory Board of 19 December, 2019 and again by resolution of 28 April, 2022. We have been auditing the consolidated financial statements of the Group continuously, starting from the financial year ended on 31 December, 2020, i.e. for 3 consecutive years.

The key statutory auditor responsible for the audit on behalf of PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp.k., a company entered on the list of auditing companies under number 144, the result of which is this report of the independent statutory auditor, is Mateusz Płonka.

Mateusz Płonka

Key Statutory Auditor

Record number 12326

Warsaw, 30 March, 2023