



**3Q 2023**

**REPORT ON THE OPERATIONS  
OF THE MANAGEMENT BOARD**

**Amica S.A. Capital Group  
for the period of 9 months ended 30 September, 2023**





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## 1. KEY FINANCIAL DATA OF THE AMICA S.A. CAPITAL GROUP IN THE PERIOD: 2019 TO 2023

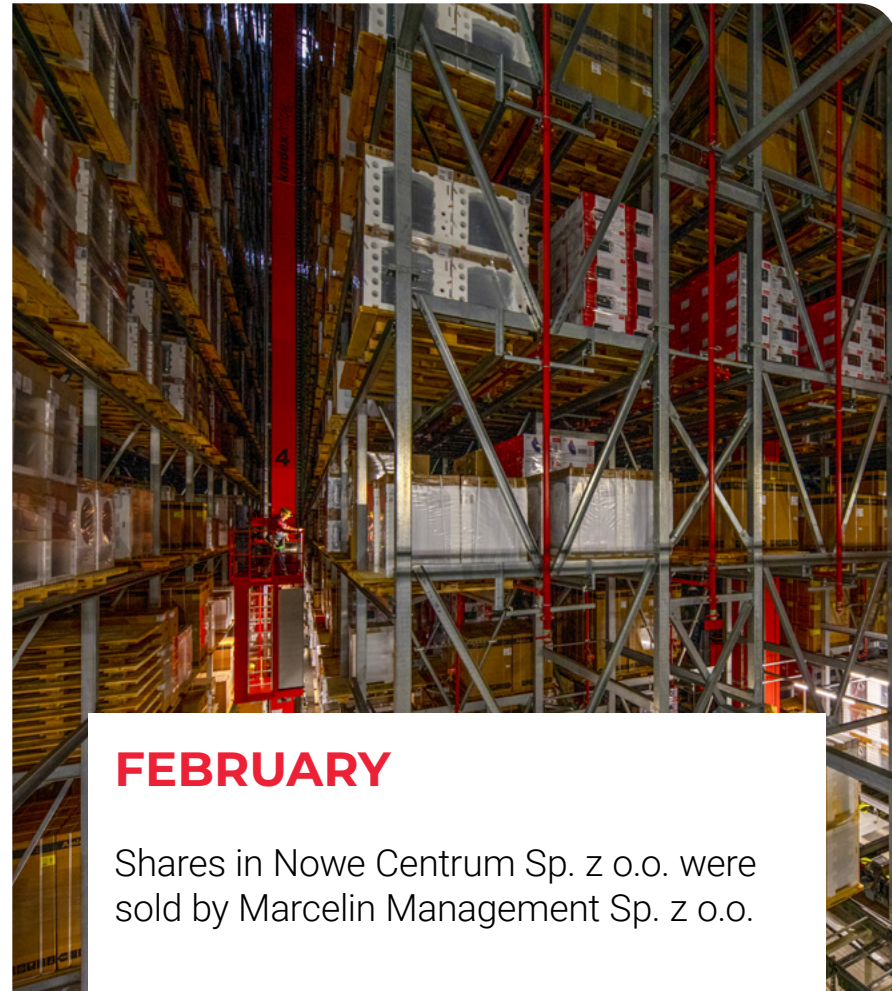
	30 September 2023	30 September 2022	30 September 2021	30 September 2020	30 September 2019
Revenue from agreements with customers [millions zł]	2,123.5	2,486.1	2,421.4	2,133.4	2,141.1
Gross sales profit margin	26.5%	21.0%	24.4%	26.8%	26.3%
EBITDA margin	4.5%	1.7%	6.3%	8.5%	7.0%
Gross profit (loss) [million zł]	8.8	(1.6)	103.5	130.4	93.6
Total assets [million zł]	2,180.5	2,444.6	2,484.2	2,153.5	2,065.4
Net working capital [million zł] <sup>[1]</sup>	(76.0)	197.0	(273.8)	60.9	(181.4)
Equity [million zł]	1,091.9	1,134.3	1,118.9	1,011.4	888.6
Net debt	1.37	1.73	1.15	0.28	1.71
EBITDA for 12 months					
Capital expenditure [million zł]	63.5	71.8	39.6	28.1	52.7

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



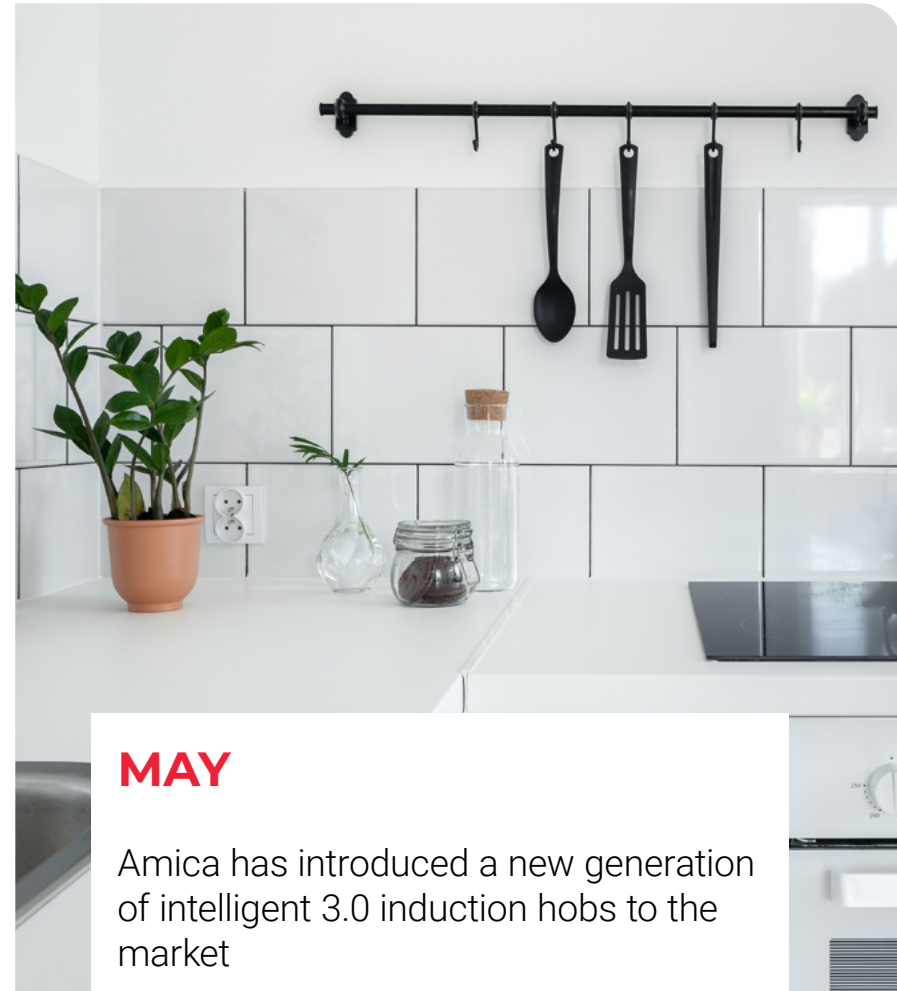


## 2. SIGNIFICANT EVENTS



### FEBRUARY

Shares in Nowe Centrum Sp. z o.o. were sold by Marcelin Management Sp. z o.o.



### MAY

Amica has introduced a new generation of intelligent 3.0 induction hobs to the market



### MAY

Amica S.A. received an award during this year's Golden Hundred of Greater Poland gala



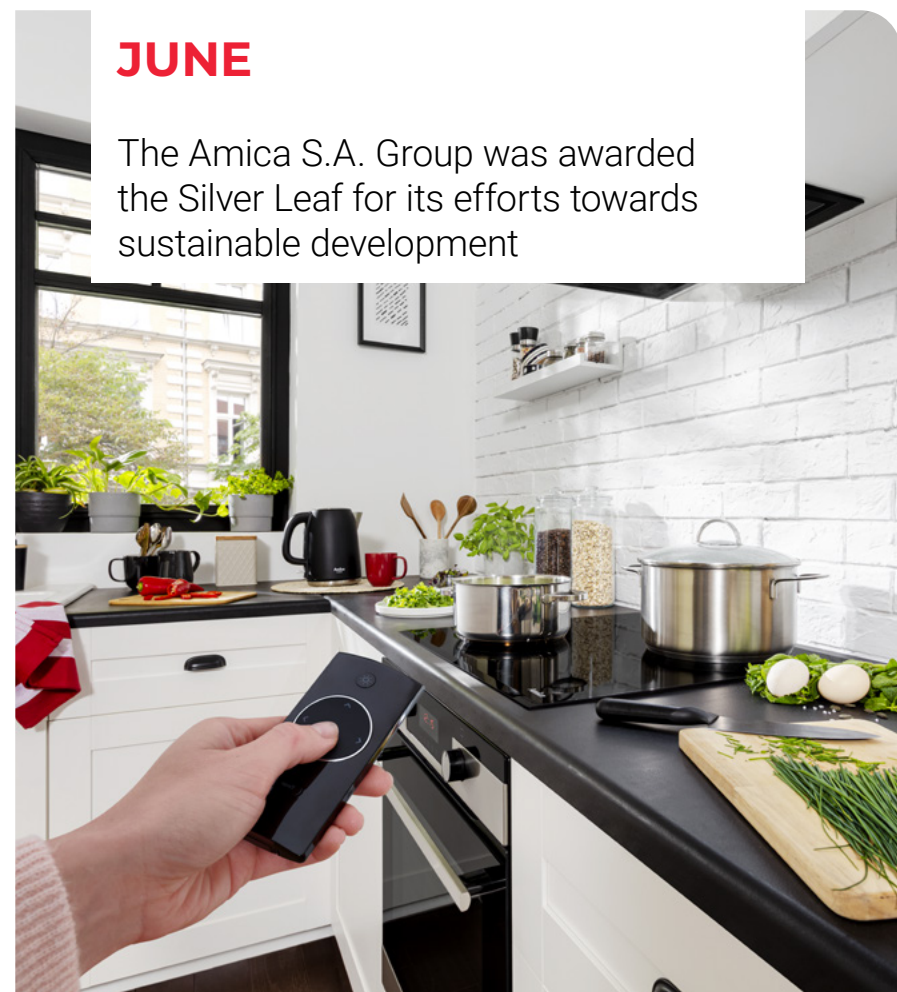
### JULY

Amica S.A. purchased 5% of the shares of Sideme S.A. from an entity outside the Group



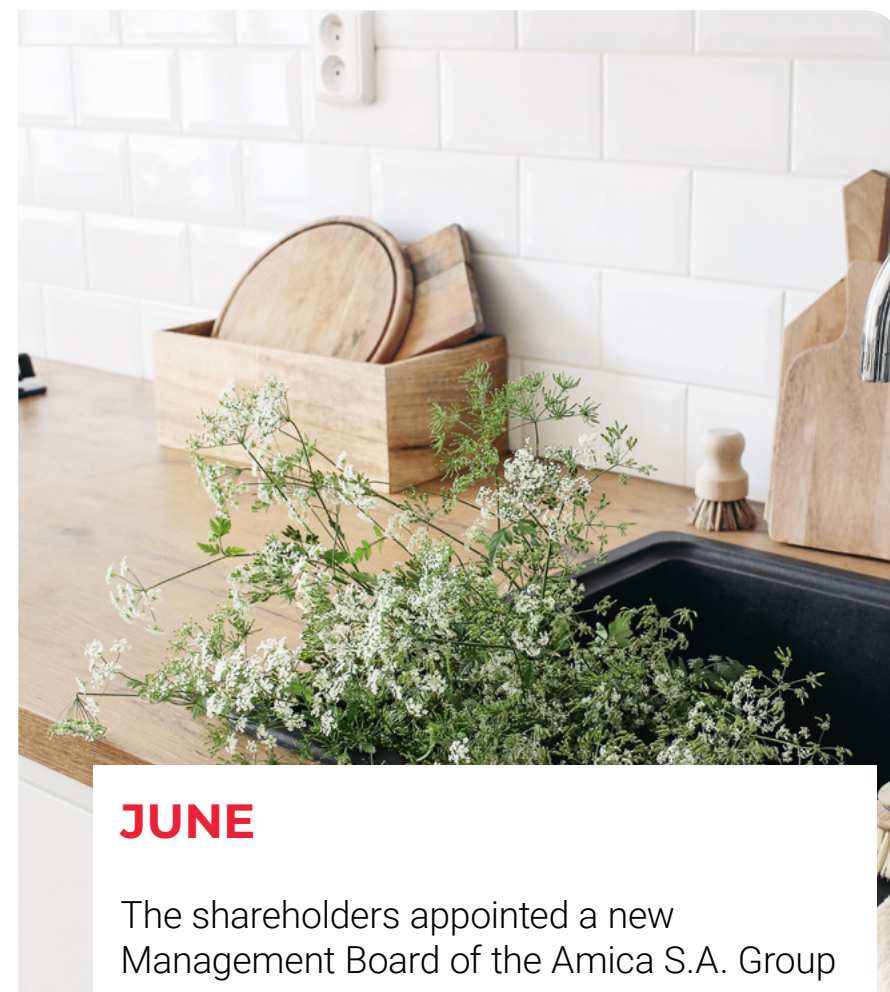
### MARCH

The WOŚP auction included a tour of the factory in Wronki and culinary workshops



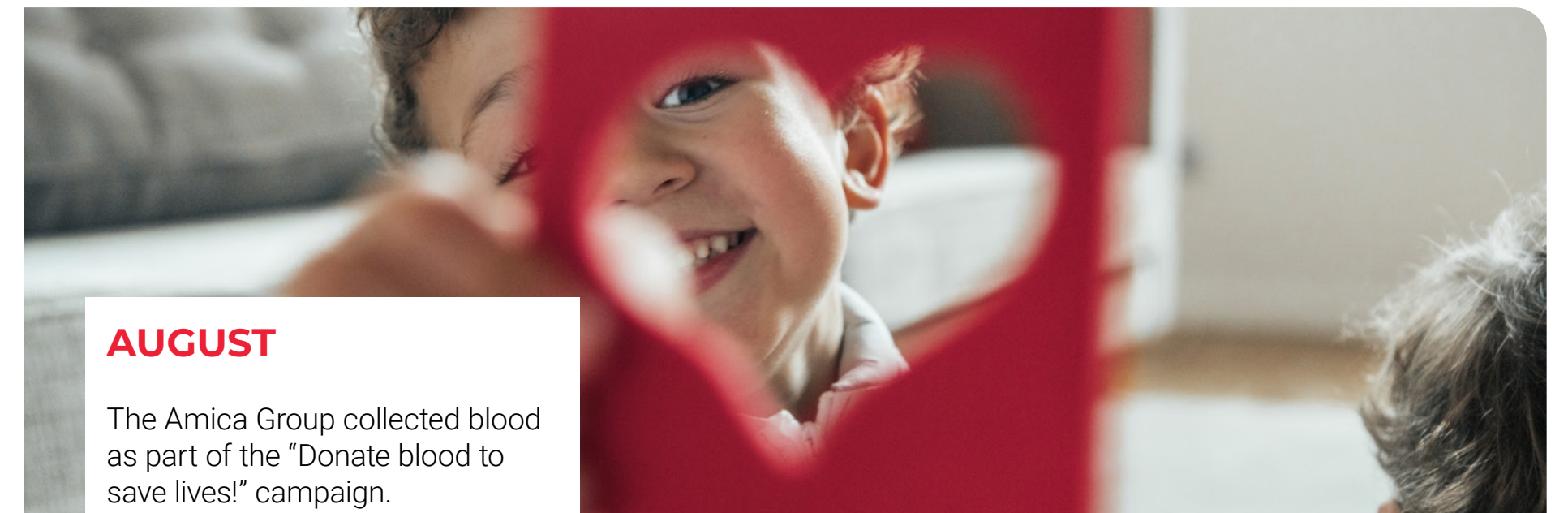
### JUNE

The Amica S.A. Group was awarded the Silver Leaf for its efforts towards sustainable development



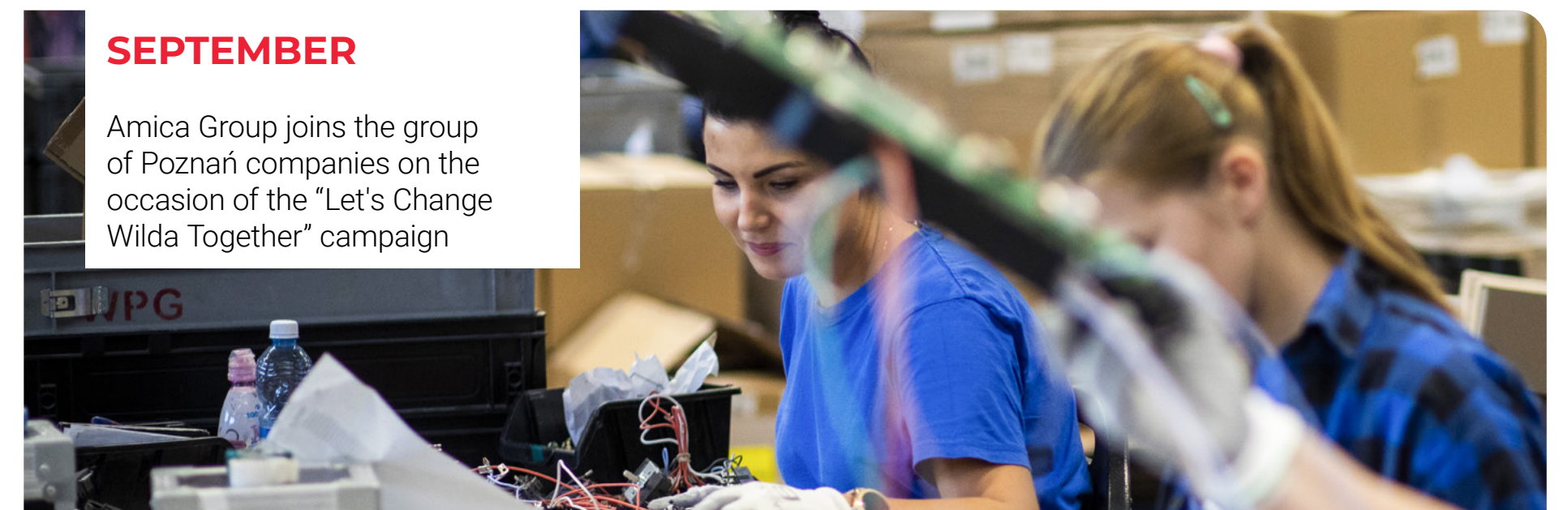
### JUNE

The shareholders appointed a new Management Board of the Amica S.A. Group



### AUGUST

The Amica Group collected blood as part of the "Donate blood to save lives!" campaign.



### SEPTEMBER

Amica Group joins the group of Poznań companies on the occasion of the "Let's Change Wilda Together" campaign



### 3. BACKGROUND INFORMATION

#### Finances of the Amica S.A. Capital Group

Detailed information on the parent company of the Amica S.A. Capital Group is presented in Note 1 of the Condensed Consolidated Financial Statements.

Detailed information on the nature of the activities of the Amica S.A. Capital Group is presented in note 3 of the Condensed Consolidated Financial Statements.

### 4. THE MANAGEMENT BOARD AND SUPERVISORY BOARD OF AMICA S.A.

#### Management Board of Amica SA

As at 30 September, 2023, the Management Board of Amica S.A. was composed of:



**JACEK RUTKOWSKI**

President of the Management Board



**ROBERT STOBINIŃSKI**

First Vice President of the Management Board for Operations



**MICHAŁ RAKOWSKI**

Vice-President of the Management Board for Finance and HR



**ADRIANNA HARASYMOWICZ-STAJKOWSKA**

Vice-President of the Management Board for Brand Management and Strategic Marketing



**PAWEŁ BIEL**

Vice-President of the Management Board for Digitisation

#### Supervisory Board of Amica S.A.

As at 30 September, 2023, the Supervisory Board of Amica S.A. was composed of:



**MR TOMASZ RYNARZEWSKI**

Chair 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

Detailed information on the number of shares held by members of the Management Board and the Supervisory Board is presented in the Condensed Consolidated Financial Statements in note 32.

Detailed information on the remuneration of members of the Management Board and the Supervisory Board is presented in the Condensed Consolidated Financial Statements in note 29.





## 5. STRUCTURE OF THE CAPITAL GROUP

As at 30 September, 2023, the Amica S.A. Capital Group consists of the parent company Amica S.A. and 13 subsidiaries with their headquarters 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.

The direct parent company of the Group is Holding Wronki sp. z o. o. The ultimate parent entity of the entire Group is Mr Jacek Rutkowski.

During the reporting period and until the date of publication of this report, the following structure changes took place in the Capital Group:

- [1] 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. As of 1 January, 2023, the seller (Inteco Business Solutions Spółka z o.o.) transfers the organised part of the enterprise to the buyer (Amica S.A.).
- [2] On 28 February, 2023, Marcellin Management Sp. z o. o. sold shares in Nowe Centrum Sp. z o. o.
- [3] On 3 July, 2023, Amica S.A. purchased 5% of the shares of Sideme S.A. from an entity outside the Group. As a result of the transaction, the Group increased its share in the capital of Sideme S.A. to 100%.
- [4] On 1 August, 2023, Marcellin Management Sp. z o. o. (the acquired company) merged with Amica S.A. (acquiring company). As a result of the merger, all assets of the acquired company were transferred to the acquiring company.

### AMICA CAPITAL GROUP

#### PRODUCTION

**Amica S.A.**  
Parent Entity <sup>[1][2][3][4]</sup>

#### TRADE AND DISTRIBUTION

**Amica Handel i Marketing sp. z o.o.**  
100% Poland

**Electrodomesticos Iberia S.L.**  
100% Spain

**Sideme S.A.**  
100% France <sup>[3]</sup>

**The CDA Group Limited**  
100% Great Britain

**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 LLP**  
100% Kazakhstan

#### ACTIVITIES SUPPORTING SPACE LEASE

**Inteco Business Solutions sp. z o.o.**  
100% Poland <sup>[4]</sup>

**Nova Panorama Sp. z o.o.**  
100% Poland

**Stadion Poznań Sp. z o.o.**  
100% Poland



## 6. BUSINESS STRATEGY

The Amica S.A. 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.

In 2023, the Capital Group is focusing on reorganising the business model in subsidiaries in order to concentrate on core activities. Detailed information on the changes made so far in the Group's structure is presented in note 5 in this report.

In the first half of 2023, the Group saw changes in the areas of responsibility of individual Members of the Management Board:

- The sales area in the Amica Group has been decentralised in order to more effectively manage operations in individual markets.
- Due to the modification of the structure, dedicated Members of the Management Board of Amica S.A. were appointed. The transformation will enhance the Group's ability to adapt to changes in the immediate environment and sustain the development of the Group's operations.
- In order to increase the effectiveness of managing brands, individual product lines and the related marketing policy of the Group, Ms. Adrianna Harasymowicz – Stajkowska was appointed in the new term of office of the Management Board as Vice-President for Brand Management and Strategic Marketing.
- Due to the above, the position of Vice-President of the Management Board for Trade and Marketing was terminated at the end of the term of office.
- In order to optimize processes, the areas of goods management and logistics in the Group were transferred to the responsibility of the First Vice-President of the Management Board for Operations.

As a result of the changes made, in July 2023, the market management centre was transferred from Amica Handel i Marketing Sp. z o.o. to Amica S.A. Thus, Amica Handel i Marketing Sp. z o. o. has focused its operations in the trade area.

In the following months, the Capital Group will continue working on a new business strategy for the coming years.

### IT and digitisation strategy:

During the reporting period, the Group advanced its digital transformation efforts, overseen by the Vice-President for Digitisation.

Implementing the latest generation of the Enterprise Resource Planning software SAP S/4HANA will allow to:

- Verify and update global and local processes.
- Standardise and optimise processes.
- Implement innovations faster.
- Improving reporting in the Group.

In 2023, work began on the reimplementation of the current SAP system. The first step, scheduled for completion in 2024, covers the area of one of the companies belonging to the Capital Group. As part of this step, processes were verified in business areas, including: finance, controlling, purchasing, sales and service. Currently, teams are working on standardisation and optimisation of the above-mentioned processes based on the solutions of the new system.

### 6.1. Factors that may affect the results and activities of the Capital Group

The most important external factors which, in the Group's opinion, may affect the results in subsequent periods include:

- The war in Ukraine, detailed information on the actions taken by the Group and their impact on its operations are provided in the Condensed Consolidated Financial Statements.
- According to forecasts published by the International Monetary Fund (hereinafter IMF) predicts that global economic activity this year will amount to 3.5%. Global inflation is expected to decline to 6.9% in 2023 and 5.8% in 2024, remaining high. This will result in a reduction in the purchasing power of households. The IMF underscores the possibility of rising inflation, driven by the unpredictable impacts of the conflict and weather events, which could lead to further tightening of global monetary policies. At the same time, IMF emphasised that countries' monetary policy will play a key role in the fight against inflation. This will manifest as higher credit costs, subsequently leading to a decrease in investments. However, due to slower than expected increases in energy prices so far, a faster reduction in core inflation seems highly likely. Consumers in many countries still have significant savings left from the above-average income they accumulated during the pandemic, which led to reduced consumption. This could sustain the recent robust inclination to utilize the accumulated funds. In the upcoming months, it's important to consider the intensifying geopolitical fragmentation, which could result in heightened trade restrictions, capital flow limitations, and disruptions in international payments. It is also crucial to cooperate in order to mitigate the negative impact of climate change, so further work is possible to accelerate the green transformation. This aspect may affect the need to adapt products to new, ecological consumer expectations

- As per the forecasts of the National Bank of Poland, the economic situation in Poland and the annual dynamics of gross domestic product is expected to continue the current trend and gradually accelerate in the fourth quarter of 2023. The year 2023 will end with economic growth of nearly 0.3%, and in the following year it will increase to 2.9%. Economic growth will continue to be negatively impacted by the macroeconomic effects of the war in Ukraine and the current conflict in the Middle East, which is an area of uncertainty regarding the supply and demand for energy raw materials worldwide. We should also bear in mind the ongoing supply shock and economic slowdown abroad in 2023, reflecting lower exports to date. It is expected that in 2024-2025 the negative effect will begin to fade away on a limited scale. As outlined in the latest NBP report, in 2024, domestic economic activity will face increasing challenges due to a substantial decrease in the inflow of European funds following the conclusion of EU perspective spending for 2014-2020 and there will be wage pressure. This year and the next will probably be marked by high inflation in Poland, above the inflation target (3.5%-1.5%). According to the most recent NBP forecasts for Poland, in 2025 inflation is expected to reach 3.7%, however, a gradual slowdown in the inflation rate will be noted. Continued declines in the prices of energy raw materials, slower inflation abroad, as well as lower labour cost dynamics are factors that will enable a positive impact on the projection horizon in the coming years. In 2024, household consumption is expected to increase as a result of higher real disposable income.

## 7. RISK MANAGEMENT

### 7.1. Risk management system

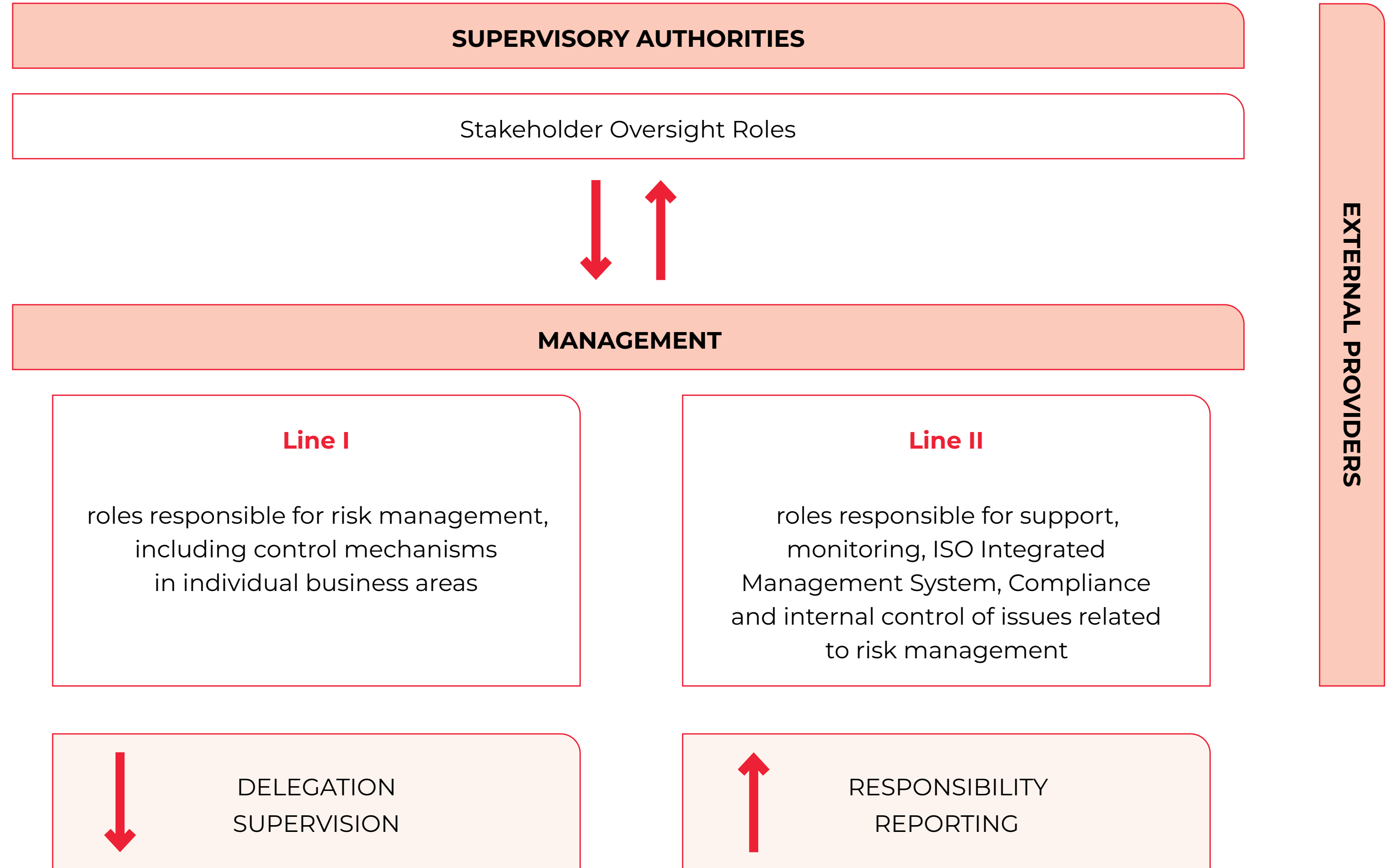
A comprehensive and coherent risk management system is implemented in the Amica Group, which supports the development of corporate governance. The basic corporate document regulating this area of activity is the Risk Management Policy.

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 S.A.:





## 8. SALES MARKETS

The Amica S.A. Capital Group is the largest Polish manufacturer of household appliances, a leader on the domestic market (share of 15.8%), a brand with a strong recognition in Poland and one of the largest companies in the household appliances industry in Europe. The main activity of the Group is the production and sale of household appliances and the sale of maintenance electrical and gas appliance services.

### Key sales information for individual markets:

In the third quarter of 2023, the key factors affecting the results of the Capital Group were:

- Inflation, remaining at high levels in all countries, was reflected in high energy prices and higher prices of raw materials, mainly glass and production components.
- a global downward trend in the number of household products purchased,
- consumer sentiment index, which has been at a negative level since the middle of last year,
- Weakening demand in Eastern Europe, where in the current period we also faced a downward trend in the construction sector caused by weakening investment activity.
- Restrictive monetary policy of Central Banks, including the European Central Bank, which is reflected in maintaining high interest rates.

As a result of the above factors, in the current period there was a decline in sales of products and goods on all sales markets compared to the previous year.

The share of individual markets in the Capital Group's sales remained at a similar level compared to the comparative period.

The decline in value across all markets can be attributed to the high base established in 2022. Despite an increase in revenue, the Group is experiencing a reduction in the quantity of products sold, a trend observed across all regions.

The Polish market has faced one of the highest levels of global inflation in the past period. The increase in sales prices did not compensate for the increase in the costs of purchasing and manufacturing products. In the past quarter, economic recovery was recorded, consumer mood and consumer confidence indicators increased. In the coming quarters, cheap mortgage loans are also expected to have a positive impact on the industry.

In the current period, the eastern market recorded the greatest economic slowdown, which resulted in a reduction in the number of products purchased by consumers, mainly in the Russian market. Additionally, in the current period, the low ruble exchange rate was also a factor negatively affecting the sales result for this region. However, in the current period, there was an increase in sales on the Kazakh market related to the development of the business.

The northern market recorded the smallest decline in the current period, which is in line with trends in the home appliances market in northern Europe.

In the southern region, the percentage of sales value has been maintained. Czechia, which is considered part of this region, is encountering a situation akin to the Polish market. In the current period, it has reported the most substantial decline in the value of the household appliances industry throughout the entire region.

All markets in western countries experienced an economic slowdown, which was reflected in a reduction in the number of products purchased by consumers in the third quarter of 2023.

- Poland
- West
- East
- North
- South

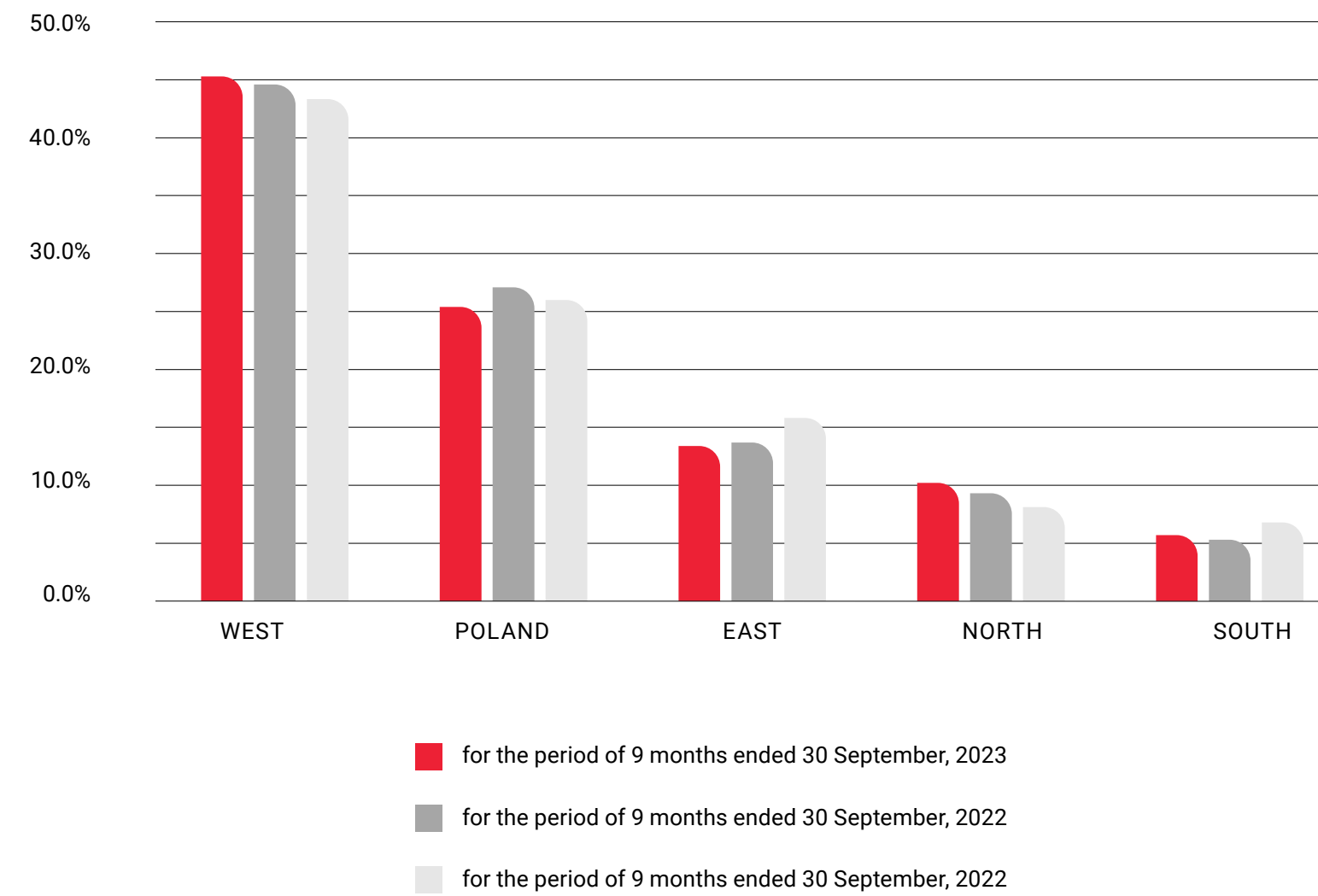




## Value of sales on individual markets of the Amica Group

	For the 9 month period ended 30 September 2023	For the 9 month period ended 30 September 2022	Change [%]
<b>Sale of products and goods:</b>	<b>2,033.3</b>	<b>2,382.2</b>	<b>(14.6%)</b>
Poland	517.3	645.2	(19.8%)
East	271.7	326.7	(16.8%)
North	208.1	221.6	(6.1%)
South	115.2	126.8	(9.1%)
West	921.0	1,061.9	(13.3%)
Other sales, including:	90.2	103.9	(13.2%)
– spare parts	54.7	70.6	(22.5%)
– services	35.5	33.3	6.6%
<b>Sale of products and goods:</b>	<b>2,123.5</b>	<b>2,486.1</b>	<b>(14.6%)</b>

## Share (%) in the sale of products and goods by region



During the 9-month period ending on 30 September, 2023, no single customer accounted for more than 10% of the Amica Capital Group's total revenue.

During the 9-month period ending on 30 September, 2023, two entities accounted for more than 10% of the total revenue of the parent company, Amica S.A. 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 Note 10 of the Condensed Consolidated Financial Statements.





## 9. FINANCES OF THE AMICA S.A. CAPITAL GROUP AND AMICA S.A.

### 9.1. Principles of drawn up financial statements

#### Finances of the Amica S.A. Capital Group

Detailed information on the principles of preparing the condensed consolidated financial statements of the Amica S.A. Capital Group is presented in the Condensed Consolidated Financial Statements in note 6.

### 9.2. Selected financial data

In 2023, we are facing an economic slowdown in all European countries, resulting from COVID-19, the energy crisis, the ongoing war in Ukraine and rising raw material prices.

Despite the difficult macroeconomic situation, the Amica Group achieved gross profit, higher by 10.4 million zł for the three quarters of 2023 compared to the same period in 2022.

#### The following factors affected the Amica Group's financial results in the three quarters of 2023:

- Adjusted the production volume to the current market demand.
- Macroeconomic factors such as increasing risk of stagnation and an unfavourable economic climate across all markets significantly contributed to the decline in revenue compared to the previous comparative period.
- The implementation of cost-saving projects led to a reduction in production costs and an increase in the gross profit margin on sales, particularly for heating appliances and goods.
- Transport costs, including container prices, significantly decreased compared to the comparative period, leading to an increase in the profit margin on the sale of heating appliances, especially goods.
- Lower costs of sales (35.8 million zł) mainly due to lower costs of storage.
- Higher general and administrative costs (12.2 million zł) related to IT and administrative costs, which are related, among others, to digital transformation.
- Profit from the sale of Nowa Centrum in the amount of 0.6 million zł.

	Consolidated data				Separate data			
	for the period of 9 months ended 30 September, 2023	for the period of 9 months ended 30 September, 2022	Change	Dynamics %	for the period of 9 months ended 30 September, 2023	for the period of 9 months ended 30 September, 2022	Change	Dynamics %
<b>Revenue from agreements with customers</b>	<b>2,123.5</b>	<b>2,486.1</b>	<b>(362.6)</b>	<b>(14.6%)</b>	<b>1,132.8</b>	<b>1,320.7</b>	<b>(187.9)</b>	<b>(14.2%)</b>
<b>Gross profit on sales</b>	<b>562.1</b>	<b>521.6</b>	<b>40.5</b>	<b>7.8%</b>	<b>200.7</b>	<b>146.7</b>	<b>54.0</b>	<b>36.8%</b>
Gross profit on sales	26.5%	21.0%	5.5 pp		17.7%	11.1%	6.6 pp	
Cost of sales	305.3	341.1	(35.8)	(10.5%)	81.3	93.1	(11.8)	(12.7%)
General administrative expenses	202.5	190.3	12.2	6.4%	98.6	85.8	12.8	14.9%
Balance of other income and operating expenses <sup>[1]</sup>	1.8	0.8	1.0		(18.9)	0.8	(19.7)	
Profit (Loss) due to expected credit gains/losses	0.1	1.3	(1.2)		–	0.1	(0.1)	
<b>Profit/(Loss) from operations (EBIT)</b>	<b>56.0</b>	<b>(10.3)</b>	<b>66.3</b>	<b>(643.7%)</b>	<b>1.9</b>	<b>(31.5)</b>	<b>33.4</b>	<b>(106.0%)</b>
Operating profit margin	2.6%	(0.4%)	3 pp		0.2%	(2.4%)	2.6 pp	
EBITDA <sup>[2]</sup>	<b>96.1</b>	<b>42.1</b>	<b>54.0</b>	<b>128.3%</b>	<b>30.8</b>	<b>7.7</b>	<b>23.1</b>	<b>300.0%</b>
EBITDA margin	4.5%	1.7%	2.8 pp		2.7%	0.6%	3.9 pp	
Result from financial activities	(47.2)	8.7	(55.9)		(0.8)	73.9	(94.7)	
<b>Gross profit/(loss)</b>	<b>8.8</b>	<b>(1.6)</b>	<b>10.4</b>	<b>(650.0%)</b>	<b>1.1</b>	<b>42.4</b>	<b>(41.3)</b>	<b>(97.4%)</b>
Gross profit margin	0.4%	(0.1%)	0.5 pp		0.1%	3.2%	(3,1) p.p.	
<b>Net profit (loss)</b>	<b>(1.9)</b>	<b>(12.8)</b>	<b>10.9</b>	<b>(85.2%)</b>	<b>4.2</b>	<b>39.9</b>	<b>(35.7)</b>	<b>(89.5%)</b>
Net profit/(loss) margin	(0.1%)	(0.5%)	0.4 pp		0.4%	3.0%	(2,6) p.p.	

[1] including 20 million zł of impairment loss on investments in Hansa 000 presented in the separate statement of comprehensive income.

[2] EBITDA calculated as the operating profit + amortisation



**Management Board's report on the operations of the Amica S.A. Capital Group for the period of 9 months ended 30 September, 2023.**

[millions zł]

ASSETS	Consolidated data				Separate data			
	30 September 2023	30 September 2022	Change	Dynamics %	30 September 2023	30 September 2022	Change	Dynamics %
<b>Fixed assets</b>	<b>818.1</b>	<b>803.3</b>	<b>14.8</b>	<b>1.8%</b>	<b>929.8</b>	<b>910.9</b>	<b>18.9</b>	<b>2.1%</b>
Property, plant and equipment	465.6	445.7	19.9	4.5%	430.7	398.6	32.1	8.1%
Intangible assets	160.0	142.2	17.8	12.5%	79.3	56.8	22.5	39.6%
Other fixed assets	136.8	151.1	(14.3)	(9.5%)	401.6	431.5	(29.9)	(6.9%)
Deferred income tax assets	55.7	64.3	(8.6)	(13.4%)	18.2	24.0	(5.8)	(24.2%)
<b>Current Assets</b>	<b>1,362.4</b>	<b>1,641.3</b>	<b>(278.9)</b>	<b>(17.0%)</b>	<b>714.6</b>	<b>749.2</b>	<b>(34.6)</b>	<b>(4.6%)</b>
Inventory	607.3	784.1	(176.8)	(22.5%)	321.6	379.5	(57.9)	(15.3%)
Receivables from deliveries and services and other receivables.	531.9	637.1	(105.2)	(16.5%)	346.6	300.0	46.6	15.5%
Other current assets	85.2	87.9	(2.7)	(3.1%)	45.2	60.8	(15.6)	(25.7%)
Cash and cash equivalents	138.0	132.2	5.8	4.4%	1.2	8.9	(7.7)	(86.5%)
<b>Total assets</b>	<b>2,180.5</b>	<b>2,444.6</b>	<b>(264.1)</b>	<b>(10.8%)</b>	<b>1,644.4</b>	<b>1,660.1</b>	<b>(15.7)</b>	<b>(0.9%)</b>

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

- The change in the volume of property, plant and equipment and intangible assets resulted mainly from investment activities and the revision of economic useful lives made on 1 January, 2023. The Group decided to extend the economic useful lives of selected fixed assets and intangible assets. As a result of the changes made, the estimated value of the depreciation cost in the current period is lower by approximately 10.3 million zł.
- In the current period, the Group allocated over 63.5 million zł to increase the value of the manufacture and purchase of tangible fixed assets and intangible assets. 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. This translated into a reduction in inventories by nearly 177 million zł compared to the third quarter of 2022.
- The decrease in receivables compared to the third quarter of 2022 by over 105 million zł is related to the effective use of factoring, improved cash flow management and lower sales.
- Cash amounted to 138.0 million zł.

LIABILITIES	Consolidated data				Separate data			
	30 September 2023	30 September 2022	Change	Dynamics %	30 September 2023	30 September 2022	Change	Dynamics %
Total equity capital	1,091.9	1,134.3	(42.4)	(3.7%)	1,096.7	1,054.8	41.9	4.0%
Total liabilities	1,088.6	1,310.3	(221.7)	(16.9%)	547.7	605.3	(57.6)	(9.5%)
Long term liabilities	162.5	214.3	(51.8)	(24.2%)	112.9	121.5	(8.6)	(7.1%)
Current liabilities	926.1	1,096.0	(169.9)	(15.5%)	434.8	483.8	(49.0)	(10.1%)
including short-term provisions	67.4	82.2	(14.8)	(18.0%)	25.9	22.8	3.1	13.6%
<b>Total liabilities</b>	<b>2,180.5</b>	<b>2,444.6</b>	<b>(264.1)</b>	<b>(10.8%)</b>	<b>1,644.4</b>	<b>1,660.1</b>	<b>(15.7)</b>	<b>(0.9%)</b>

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

- Changes in equity resulted mainly from exchange rate changes resulting from the translation of foreign operations.
- The Group significantly reduced its trade and other liabilities due to lower purchases of goods and components.
- The current ratio at a satisfactory level of 1.47. The total debt ratio is consistent, in the current period its value was 0.50 and 0.54 in the comparative period.
- As at the end of 30 September, 2023, the Group had a stable financial position.



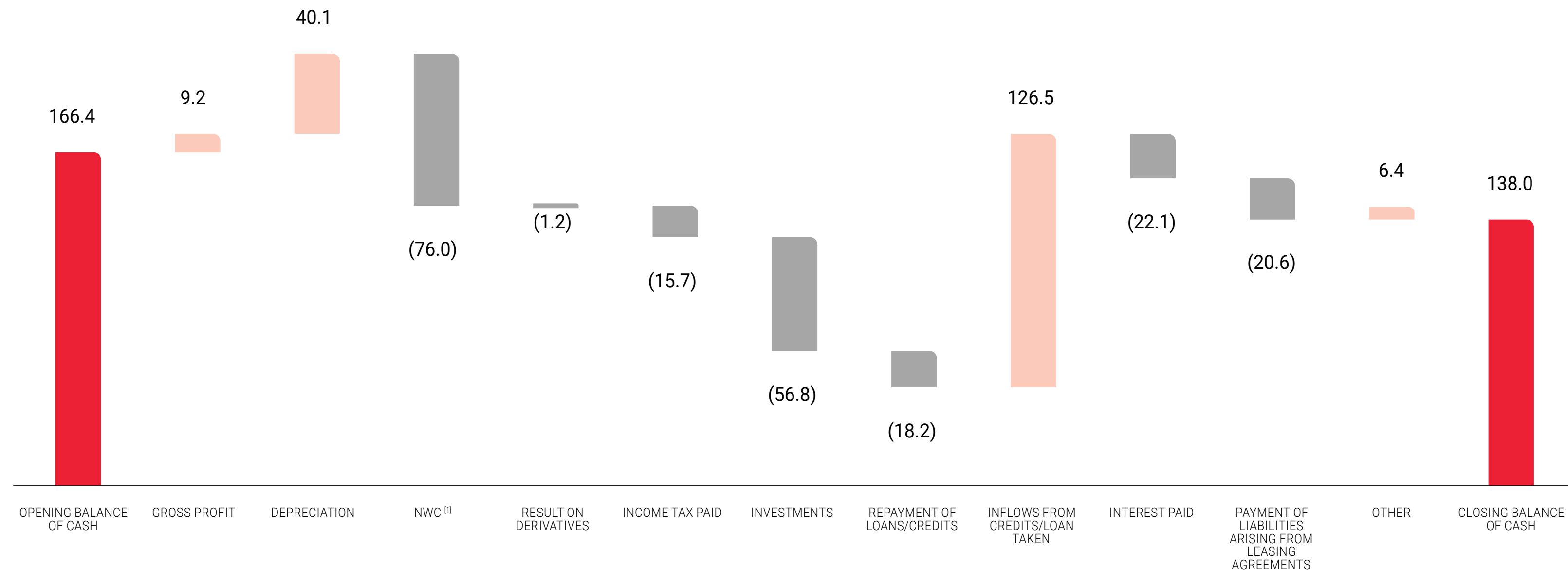
**Management Board's report on the operations of the Amica S.A. Capital Group for the period of 9 months ended 30 September, 2023.**

[millions zł]

	Consolidated data			Separate data		
	for the period of 9 months ended 30 September, 2023	for the period of 9 months ended 30 September, 2022	Change	for the period of 9 months ended 30 September, 2023	for the period of 9 months ended 30 September, 2022	Change
Net cash flows from operating activities	(0.1)	254.7	(254.8)	(66.4)	131.2	(197.6)
Net cash flows from investment activities	(56.8)	(71.4)	14.6	(21.7)	(69.4)	47.7
Net cash flows from financial activities	54.3	(119.5)	173.8	84.9	(62.9)	147.8
<b>Opening balance of cash</b>	<b>166.4</b>	<b>59.9</b>	<b>106.5</b>	<b>4.3</b>	<b>10.9</b>	<b>(6.6)</b>
Balance sheet change in cash	(28.4)	72.3	(100.7)	(3.1)	(2.0)	(1.1)
<b>Closing balance of cash</b>	<b>138.0</b>	<b>132.2</b>	<b>5.8</b>	<b>1.2</b>	<b>8.9</b>	<b>(7.7)</b>



**Consolidated Statement of Cash Flows of the Amica S.A. Capital Group for the period of 9 months ended 30 September, 2023**



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

- In the third quarter of 2023, the Capital Group began an intensified autumn shopping period for customers, including products from the heating range, thus in the current period there was a decrease in the value of inventories compared to 31 December, 2022.
- The increase in the value of receivables in the current period is caused, among other things, by the calculation of a sales bonus.
- As part of investment activities, expenses were incurred for the purchase of tangible fixed assets and intangible assets of 63.5 million zł.
- The proceeds from the sale of Nowa Centrum in the current period amounted to 2.4 million zł.
- In the current period, the interest paid as part of financing activities amounted to 22.1 million zł.
- In the current period, the Capital Group took out overdrafts in the amount of 126.5 million zł to finance working capital.

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



## 9.3. Financial ratios

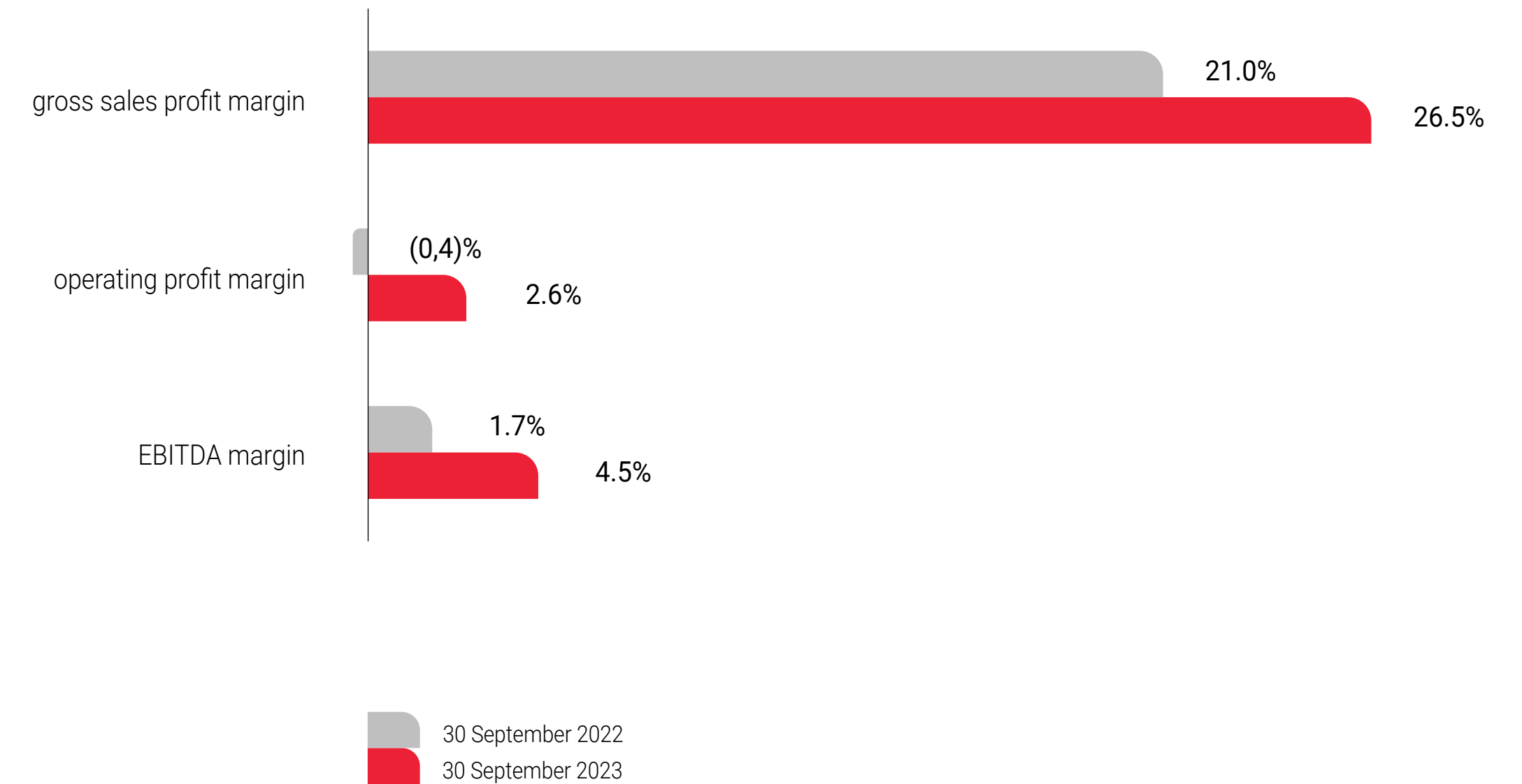
Key financial indicators	Consolidated data		Separate data		The calculation method
	for the period of 9 months ended 30 September, 2023	for the period of 9 months ended 30 September, 2022	for the period of 9 months ended 30 September, 2023	for the period of 9 months ended 30 September, 2022	
Gross sales profit margin	26.5%	21.0%	17.7%	11.1%	$\frac{\text{Gross sales profit}}{\text{Net revenue from sales}}$
EBITDA [million zł]	96.1	42.1	30.8	7.7	Operating profit + Depreciation
EBITDA margin	4.5%	1.7%	2.7%	0.6%	$\frac{\text{EBITDA}}{\text{Net revenue from sales}}$
Operating profit margin	2.6%	(0.4%)	0.2%	(2.4%)	$\frac{\text{Operating profit}}{\text{Net revenue from sales}}$
Net margin	(0.1%)	(0.5%)	0.4%	3.0%	$\frac{\text{Net profit}}{\text{Net revenue from sales}}$

Key financial indicators	Consolidated data		Separate data		The calculation method
	30 September 2023	30 September 2022	30 September 2023	30 September 2022	
Net working capital [million zł]	436.3	545.3	279.8	265.4	Current assets / Current liabilities
Current ratio	1.47	1.50	1.64	1.55	$\frac{\text{Current Assets}}{\text{Current liabilities}}$
Total debt ratio	0.50	0.54	0.33	0.36	$\frac{\text{Total liabilities}}{\text{Total assets}}$
Debt equity ratio	1.00	1.16	0.50	0.57	$\frac{\text{Total liabilities}}{\text{Equity capital}}$
Net debt	194.4	182.0	274.7	220.2	(Interest-bearing loans and borrowings) – Cash
RONA	10.6%	7.5%	3.3%	1.7%	$\frac{\text{EBITDA}^{[1]} \text{ for 12 months}}{(\text{NWC}^{[2]} + \text{Fixed assets})}$

[1] EBITDA calculated as the operating profit + amortisation

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

### Selected margins for consolidated data





## 9.4. 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.

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.

### 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 the sureties and guarantees can be found in the Condensed Separate Financial Statements in note 12.

The company has after-sales guarantees.

## 9.5. Transactions with affiliates and subsidiaries

A detailed description of transactions with related entities is presented in in note 28 to the Condensed Consolidated Financial Statements.

## 9.6. Disputes

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

## 9.7. Significant events after the end of the reporting period

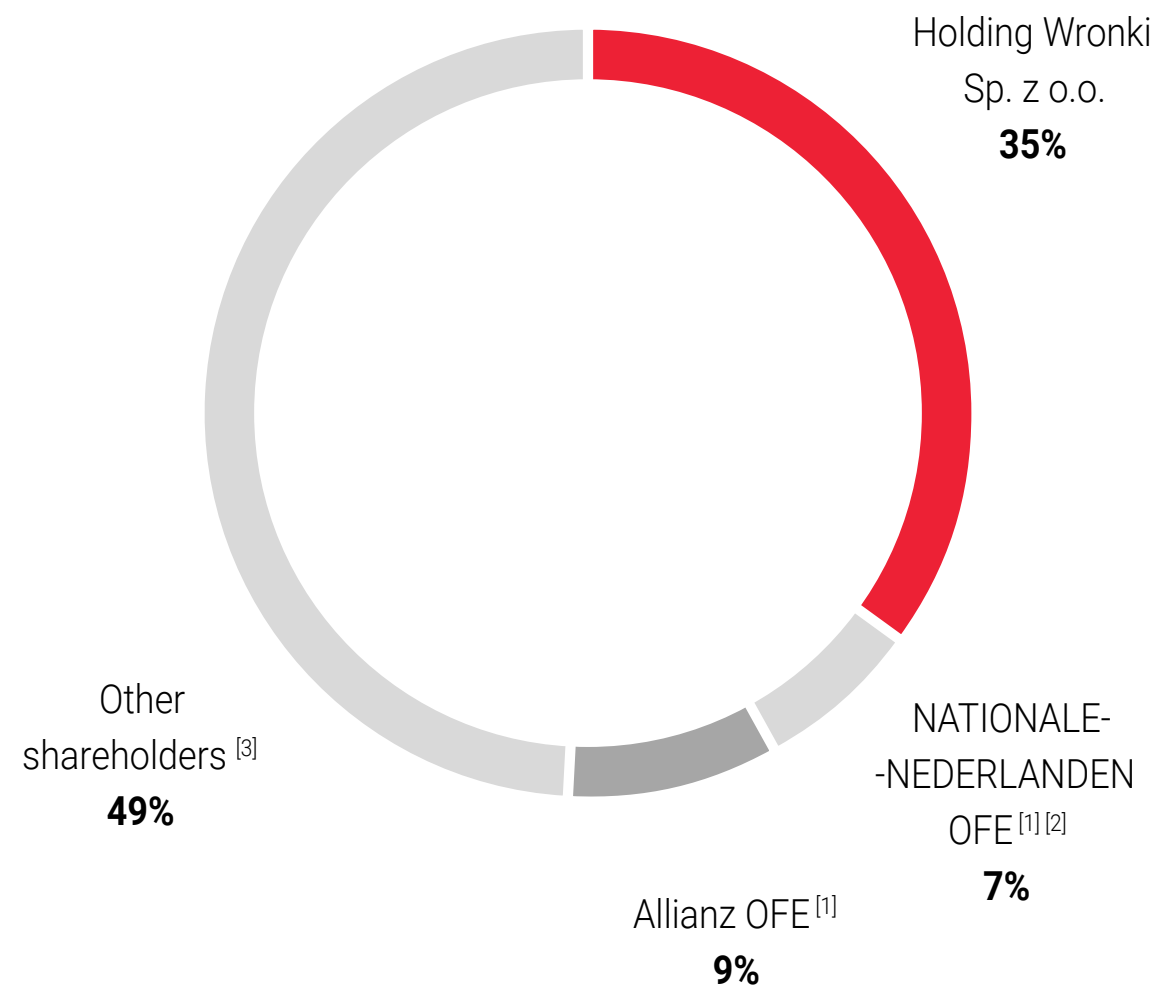
Detailed information about significant events after the end of the reporting period can be found in Note 30 to the Condensed Consolidated Financial Statements.





## 10. AMICA ON THE CAPITAL MARKET

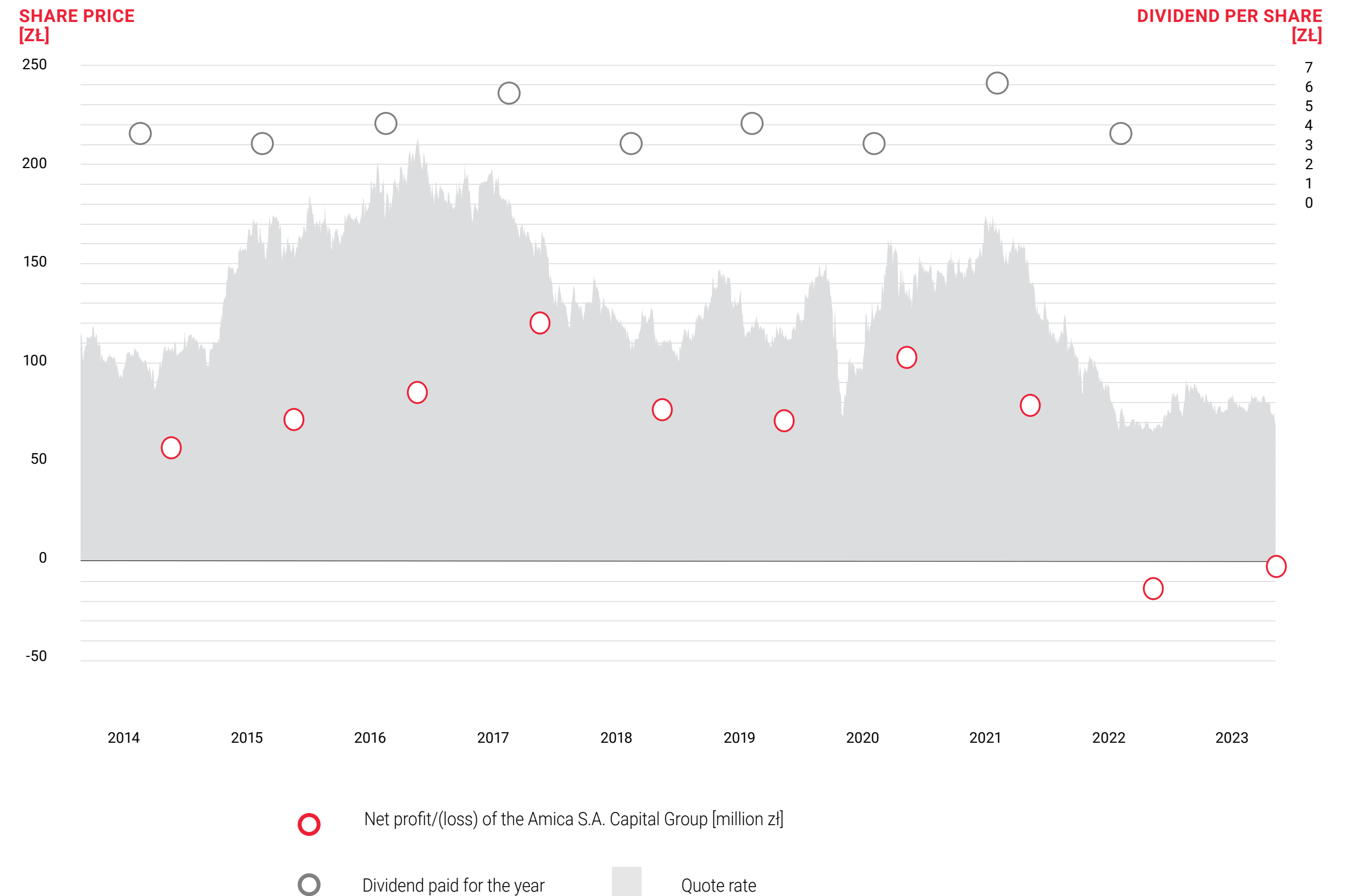
Shareholder structure holding directly or indirectly at least 5% of the capital of Amica S.A. as at 30 September, 2023:



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.

The Capital Group'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 unstable economic situation in the world and the difficult to predict consequences of the war prompted the Management Board of Amica S.A. to allocate the entire profit from 2022 to supplementary capital.

### Net profit for the 9-month period ended 30 September for the Amica S.A. Capital Group in the period from 2014 to 2023, as well as the stock price of Amica S.A. and the value of the dividend paid:



[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] 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.

[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.



## 11. STATEMENTS OF THE MANAGEMENT BOARD MEMBERS

### The accuracy and trustworthiness of the provided reports

The Management Board of Amica S.A. declares that to the best of its knowledge:

- The Condensed Consolidated Financial Statements of the Amica S.A. Capital Group for the 9 months ending on 30 September, 2023, including the Condensed Separate Financial Statements of Amica S.A. and comparative data, have been prepared in compliance with relevant accounting principles. They accurately, reliably, and transparently represent the Company's and Capital Group's financial position and financial results.
- The Management Board's report on the operations of the Amica S.A. Capital Group in the period ended on 30 September 2023 provides a true picture of the development, achievements and financial position of the Company's Capital Group, including a description of the basic threats and risks.

### The Management Board's stance on the feasibility of achieving the previously published annual result forecasts

The company did not publish financial forecasts for 2023.





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# APPROVAL FOR PUBLICATION

## Signatures of all Members of the Board

**JACEK RUTKOWSKI**  
President  
of the Management Board

**ROBERT STOBIŃSKI**  
First Vice President  
of the Management Board

**MICHAŁ RAKOWSKI**  
Vice President  
of the Management Board

**ADRIANNA  
HARASYMOWICZ-STAJKOWSKA**  
Vice-President  
of the Management Board

**PAWEŁ BIEL**  
Vice President  
of the Management Board