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Makarony Polskie

- SPÓŁKA AKCYJNA -

Abridged financial statements of Makarony Polskie Group for the period from 01 January to 30 September 2024



Rzeszów, 19 November 2024

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Makarony Polskie
- SPÓŁKA AKCYJNA -

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the period from 01 January to 30 September 2024

Makarony Polskie Group
19 November 2024

General information

Organisational Structure of Makarony Polskie Group

Makarony Polskie Group („Group") consists of three companies:

- Makarony Polskie SA („Company", „parent company")
- Stoczek Natura Sp. z o.o.
- MP Trade Sp. z o.o.



Makarony Polskie SA is a producer of a wide range of pasta, manufactured using pressed and rolled technology. The company offers pasta in many different forms, produced on the basis of durum flour and common wheat flour. The Company's portfolio also includes products responding to pro-health food trends, e.g. pasta made from spelt, buckwheat and rye flours. The product range is diversified with large forms of pasta intended for stuffing and vegetable pasta made from legumes such as chickpeas, red lentils and green peas. The company has considerable scope to expand its range of pasta made from rare flours such as legumes and the portfolio will be developed in this direction.
The basic pasta brands offered are Makarony Polskie, Sorenti and Abak (bibrand with Makarony Polskie).

Stoczek Natura Sp. z o.o. is a manufacturer of meat and vegetable preserves (ready meals, pâtés, lards, tinned foods), fruit preserves (jams, jam) offered under the Stoczek and Męska Rzecz brands, as well as ready meals in trays and bowls offered under the So Food brand.

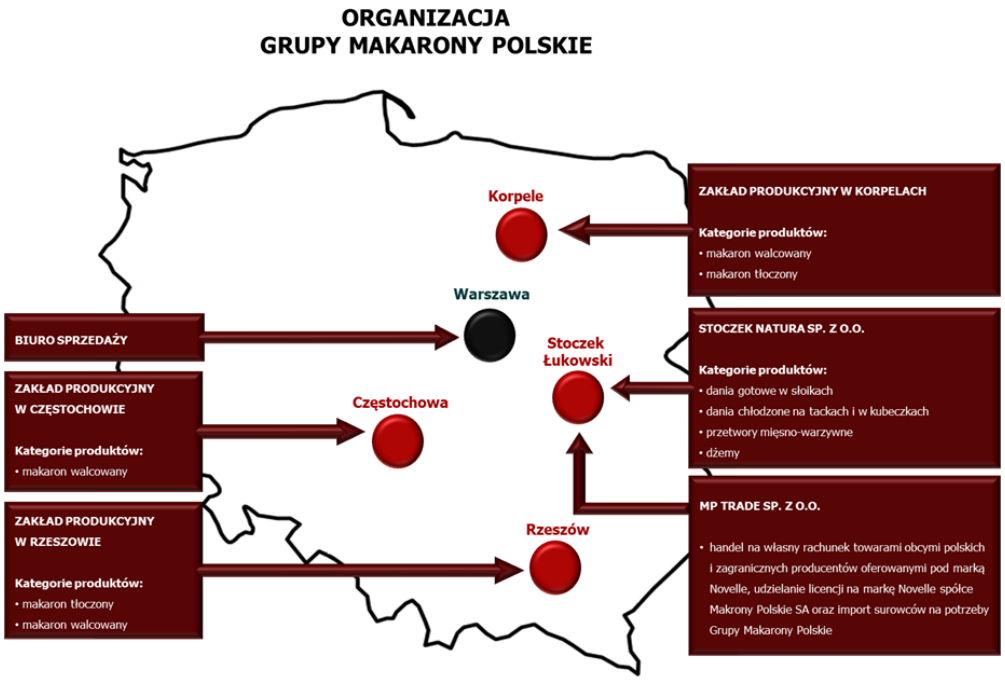
MP Trade Sp. z o.o. develops trade on own account with foreign goods of Polish and foreign producers. The company works in two business fields. The first area of the company's activity is the sale under the Novelle own label of products purchased from external suppliers and on licensing the Novelle brand to Makrony Polskie SA in the production of vegetable pasta and other goods produced within the Makarony Polskie

Group. The company also imports raw materials that are used for the Group's needs. The business model adopted by the company creates its value by increasing its brand value on the one hand, and on the other hand develops opportunities for importing raw materials (production is contracted out).

Changes in the organization of the Makarony Polskie Group in the reporting period

Since 1 January 2024, there has been no changes in the Makarony Polskie Group that would materially affect the Group's structure or organisation.

Within the Makarony Polskie Group, the individual companies between themselves purchase and sell products, goods and services. All transactions are performed on market terms and conditions.



Organisational data

Makarony Polskie SA

Registered Office: 35-082 Rzeszów, ul. Podkarpacka 15A,

District Court in Rzeszow, 12th Commercial Division of the National Court Register

KRS number 0000212001,

Share Capital: PLN 33,120,213 - paid up in full

Regon: 691674708,

NIP: 8133278856,

www.makarony.pl.

The Group's human resources policy is aimed at retaining high-level specialists and managers who, through their knowledge, experience and commitment ensure the highest level of achievement of the Group's business objectives set for them.

Stoczek Natura Sp. z o.o.

Registered Office: 21-450 Stoczek Łukowski, ul. Dwernickiego 5,

Commercial Court Lublin Wschód with its registered office in Świdnik, 6th Commercial Department

KRS number: 0000050439,

Share Capital: PLN 15,707,800

Regon: 711584640,

NIP: 8251727212,

www.stoczek.com.pl.

MP Trade Sp. z o. o.

Registered Office: 21-450 Stoczek Łukowski, ul. Dwernickiego 5,

Commercial Court Lublin Wschód with its registered office in Świdnik, 6th Commercial Department

KRS number: 0000579926,

Share Capital: PLN 1,500,000

Regon: 362706449,

NIP: 8252176004.

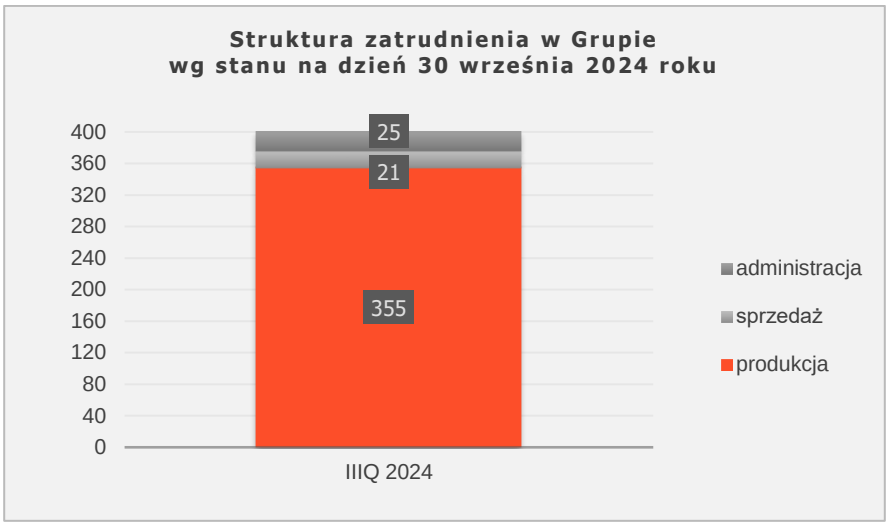
100% of the shares in the share capital of Stoczek Natura Sp. z o.o. and MP Trade Sp. z o.o. are held by Makarony Polskie SA. The parent company's share in the total number of votes at the Shareholders' Meetings of these companies, is equal to the Company's share in the capital of each subsidiary.

The duration of all companies of the Makarony Polskie Group is indefinite.

Employment in the Makarony Polskie Group

In accordance with the adopted policy, the Makarony Polskie Group consistently maintains the total employment at the level of the necessary minimum, at the same time taking care of the flexibility of employment in the Production Plants and its correlation with changes in the production volume .

Employment as at 30 September 2024 in the Makarony Polskie Group was 401 employees in total (vs 396 persons at the end of Q3 2023).



The personnel policy of the Makarony Polskie Group is aimed at retaining high-class specialists and managers who, thanks to their knowledge, experience and commitment, ensure the highest level of implementation of the Group's business objectives set for them, thus guaranteeing continuous improvement of the organisation and enhancement of the quality of the offered products and provided services.

Composition of the parent company's Management Board

For the period from 01 January 2024 to the date of publication of this report, the Company's Management Board is composed of one person. The function of the President of the Management Board is performed by Zenon Daniłowski.

As at the date of publication of this report, the function of proxies in the Company is performed by:

- Grażyna Kozielec - since 31 May 2012
- Beata Majewska-Karp - since May 31st 2012
- Witold Żarek - since 4 March 2013
- Marcin Zieliński - since 19 November 2019
- Artur Woźniak - as of 15 September 2021.

The powers of attorney granted are cumulative - a proxy may represent the Company only by acting jointly with another proxy or a member of the Management Board

Shares held by Members of the Management Board

Number and nominal value of shares of Makarony Polskie S.A. held by the Members of the Management Board as at the report date:

Member of the Management Board	Q3 2024		2023	
	number of shares	nominal value	number of shares	nominal value
Zenon Daniłowski*	140,000	420,000	140,000	420,000

* Zenon Daniłowski, President of the Management Board, is related to the companies: Praska Giełda Spożywcza SA and Polskie Smaki Sp. z o.o., which also hold shares in the Company; the total holding at the date of publication of this report is 3,641,594 shares with a value of PLN 10,924,782 and has not changed from the holding shown at the date of publication of the interim report for the 2023 financial year.

In accordance with the information held by the Company, during the reporting period and until the date of publication of these statements, there were no changes in the ownership of shares held directly by the President of the Management Board.

Composition of the Supervisory Board of the parent company

From 24 June 2024 to the date of publication of these statements, the Supervisory Board was composed of:

- Roman Sobiecki - President the Supervisory Board (dependent member),
- Mr Ahmed Khalil - Vice-President of the Supervisory Board (dependent member),
- Dorota Podedworna-Tarnowska - Member of the Supervisory Board (independent member),
- Marek Rocki - Member of the Supervisory Board (dependent member),
- Michał Słomkowski - Member of the Supervisory Board (independent member),
- Wiesław Wasilewski - Member of the Supervisory Board (independent member).

Audit Committee

On 24 June 2024 the Supervisory Board of the 11th term appointed from among its members the Audit Committee composed of:

- Dorota Podedworna-Tarnowska - Chairwoman of the Audit Committee (independent member),
- Michał Słomkowski - Member of the Audit Committee (independent member),
- Wiesław Wasilewski - Member of the Audit Committee (dependent member).

As required by law, members of the Audit Committee have knowledge and skills in accounting or auditing of financial statements as well as knowledge and skills in the industry in which the Company operates.

Shares held by members of the Supervisory Board

Number and nominal value of the shares of the Company owned by Members of the Supervisory Board

as at the date of the statements are as follows:

Member of the Supervisory Board	Q3 2024		2023	
	number of shares	nominal value	number of shares	nominal value
Marek Rocki	0	0	0	0
Ahmed Khalil	0	0	0	0
Michał Słomkowski	0	0	0	0
Roman Sobiecki	0	0	0	0
Wiesław Wasilewski	29,012	87,036	26,782	80,346

To the best of the Company's knowledge, there have been no changes in the shareholdings of the Members of the Supervisory Board during the reporting period and up to the date of publication of this report.

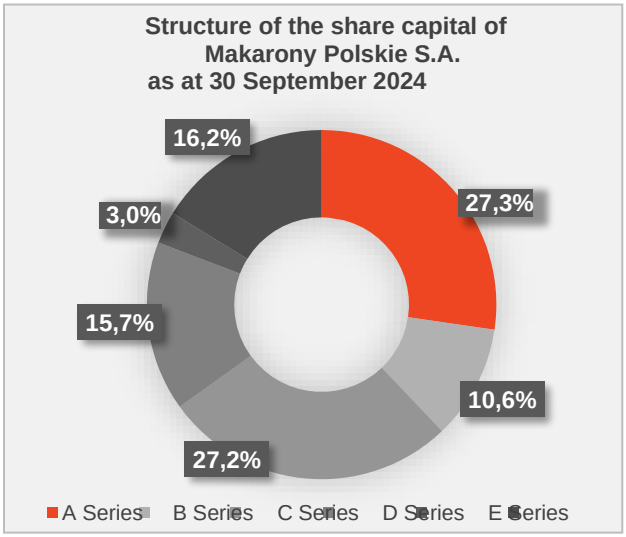
General Meeting of the Parent Company

Share capital of Makarony Polskie SA:

- amount of share capital PLN 33,120,213,
- total number of shares 11,040,071 shares,
- total number of votes at the General Meeting 11,040,071 votes.

Structure of the Company's share capital:

- 3 013 250 ordinary bearer shares of A series,
- 1 169 750 ordinary bearer shares of B series,
- 3 000 000 ordinary bearer shares of C series,
- 1,735,821 ordinary bearer shares of D series,
- 331 250 ordinary bearer shares of E series.
- 1,790,000 ordinary bearer shares of E series.



The Company's shares are ordinary, bearer shares listed on the regulated market operated by the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie SA). The company has not issued any securities that grant special controlling rights to any of its shareholders.

There are no restrictions on the exercise of voting rights in the Company. There are also no restrictions on the transfer of ownership of securities issued by the Company.

Shares held by major shareholders (above 5% of capital)

Shareholders holding, directly or indirectly through subsidiaries, at least 5% of the votes in the total number of votes at the Company's General Meeting as at the date of the report (according to the information available):

Shareholder	Shares in share capital		Votes in the General Assembly	
	number	share in %	number	share in %
Mr Zenon Daniłowski and entities from PGS Group, including:	3,641,594	32,99%	3,641,594	32,99%
Praska Giełda Spożywcza SA (former: Agro-Technika SA)	*3,380,000*	*30,62%*	*3,380,000*	*30,62%*
Zenon Daniłowski	*140,000*	*1,27%*	*140,000*	*1,27%*
Polskie Smaki Sp. z o.o.	*121,594*	*1,10%*	*121,594*	*1,10%*
Raya Holding for Technology & Communications S.A.E., including:	3,254,706	29,48%	3,254,706	29,48%
Madova Sp. z o.o.	*3,254,706*	*29,48%*	*3,254,706*	*29,48%*
Słomkowscy Family Foundation in organisation	1,169,750	10,60%	1,169,750	10,60%

Equity shares purchased and retained by the Company	19,733	0,18%	19,733	0,18%
Other shareholders	2,954,288	26,75%	2,954,288	26,75%
IN TOTAL	**11,040,071**	**100,00%**	**11,040,071**	**100,00%**

Changes in shareholdings during the reporting period

1. On 3 July 2024, the Company received notifications of changes in the ownership of shares and votes at the Company's general meeting from:
   - Ms Elżbieta Słomkowska, partner in a civil partnership, acting on behalf of the partners of ZPH Elpast Elżbieta i Grzegorz Słomkowscy s.c. - concerning a decrease in the shareholding in the Company from 10.6% to 0% in the Company's share capital and votes at the General Meeting,
   - Fundacja Rodzinna Słomkowscy w organizacji - concerning an increase in the shareholding in the Company from 0% to 10.6% in the Company's share capital and votes at the General Meeting.

2. In September 2024, the Company commenced the repurchase of treasury shares carried out during trading sessions on the main market of the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie SA), through Dom Maklerski Trigon SA, as a result of a brokerage order placed by the Company's Management Board on 9 September 2024. The total number of treasury shares acquired and retained by the Company during the reporting period amounted to 5,953 shares, representing approximately 0.05% of the share capital and the same % of the total number of votes at the General Meeting of Shareholders.

Changes in shareholdings after the reporting period

In the period from 1 October 2024 to 18 November 2024, as part of the buy-back of the Company's own shares implemented by the Company through Dom Maklerski Trigon SA (as a result of the brokerage order placed by the Company's Management Board on 9 September 2024), 13,780 shares representing approximately 0.13% of the share capital and the same % share in the total number of votes at the General Meeting of Shareholders were acquired during trading sessions on the main market of the Warsaw Stock Exchange.

A total of 19,733 shares, representing approximately 0.18% of the share capital and the same % share of

in the total number of votes at the General Meeting of Shareholders.

The Company is not aware of any other information which would indicate changes in the number of shares held by significant shareholders (holding blocks of shares above 5%) during the reporting period and in the period up to the date of publication of this report.

The Company is not aware of any other agreements (including those entered into after the balance sheet date) as a result of which there may be future changes in the proportions of shares held by existing shareholders.

Composition of the Management Board of subsidiaries

Stoczek Natura Sp. z o.o.

As at 30 September 2024 and the date of publication of these statements, the management board of the subsidiary Stoczek Natura Sp. z o.o. was composed of:

- Adam Ławnik - President of the Management Board,
- Jerzy Krzyżowski - Member of the Management Board.

The function of Proxy in Stoczek Natura Sp. z o.o. is performed by:

- Alicja Hinz - since 05 October 2001.

The commercial power of attorney granted is joint and several, as the commercial proxy may represent the Company only when acting jointly with another commercial proxy or Management Board member.

MP Trade Sp. z o.o.

As at 30 September 2024 and the date of publication of these statements, the management board of the subsidiary Sto Sp. z o.o. was composed of:

- Marcin Zieliński - President of the Management Board.

MP Trade Sp. z o.o. did not appoint proxies.

Publication and approval of the financial statements

These condensed consolidated and separate financial data have not been reviewed by an auditor and were approved by the Board of Directors for publication on 19 November 2024.

Legal basis for the consolidated financial statements

Statement of compliance and basis for report

The Condensed consolidated financial statements have been prepared on the basis of the International Accounting Standards as approved by the European Union (EU) and the related interpretations promulgated in the form of implementing regulations of the European Commission (hereinafter referred to as "IFRS"), applicable to interim financial reporting as approved by the European Union (IAS 34 "Interim Financial Reporting") in accordance with Article 55.5 of the Accounting Act (Journal of Laws. of 2023, item 120, as amended) and the implementing regulations issued on its basis, and in accordance with the requirements set out in the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information provided by issuers of securities and the conditions for recognising as equivalent the information required by the laws of a non-member state (Dz. U. of 2018, item 757) published and in force at the time of preparation of these abridged consolidated financial statements. The condensed financial statements do not include all information and disclosures required in the annual financial statements and should be read together with the Group and Parent Company's financial statements for the year ended on 31 December 2023.

Basis of valuation

The presented condensed consolidated financial statements have been prepared in accordance with the historical cost principle, except for the valuation to fair value of some assets, i.e. assets purchased as part of the purchase transaction of Abak Sp. z o.o. SoFood.

Functional and presentation currency

The Group's measurement currency included in these consolidated financial statements and the reporting currency of these financial statements is the Polish zloty.

Financial figures, unless otherwise indicated, are given in thousands of PLN.

Legal basis for preparation of consolidated statements

Application of accounting principles and basis of preparation of the statements

The accounting principles used to prepare the interim condensed consolidated financial statements are consistent with those applied to the preparation of the annual financial statements of the Group of Companies for the year ended 31 December 2023 (published on 23 April 2024).

The financial statements of all entities have been prepared for the same reporting period, using consistent accounting policies. The financial year of the Group companies is the calendar year

The Parent Company - Makarony Polskie S.A. and its subsidiaries - Stoczek Natura Sp. z o.o, MP Trade Sp. z o.o prepare their financial statements in accordance with IAS/IFRS. All transactions, balances, revenues and expenses between consolidated related parties are subject to consolidation exclusions.

The duration of the Group companies is not limited.

Entities to be consolidated

by status as at 30 September 2024	Stoczek Natura Sp. z o.o.	MP Trade Sp. z o. o.
The nature of the relationship	direct subsidiary	direct subsidiary
Consolidation method	full	full
Date of taking control	1 June 2007	28 September 2015
% of the capital held	100%	100%

Explanations regarding seasonality or cyclicality in relation to the Group's interim operations

The Group's operations do not show significant seasonal or cyclical trends.

Changes to the rules for preparing financial statements

The accounting policies applied in the preparation of these interim condensed consolidated financial statements for the nine months ending

30 September 2024 are consistent with those applied in the preparation of the annual

consolidated financial statements for the financial year ended 31 December 2023, except for the changes described below.

The same principles were applied for the current and comparable period.

Changes resulting from amendments to IFRS

The following new or amended standards and interpretations issued by the International Accounting Standards Board (IASB) or the International Financial Reporting Interpretations Committee apply from the beginning of the reporting period.

- Amendment to IAS 1 Presentation of Financial Statements: Classification of liabilities as short- and long-term

  The amendment to IAS 1 was published on 23 January 2020, subsequently modified in July 2020 and finally adopted on 31 October 2022. The amendment is effective for annual periods beginning on or after 1 January 2024. The amendment redefines the criteria that must be met so that a liability is considered short-term. The amendment may change the presentation of liabilities and their reclassification between short- and long-term liabilities.

  The Group shall apply the amended standard from 1 January 2024.

- Amendment to IAS 12 Income Taxes: International Post-Tax Reform - Model Pillar II (Global Minimum Tax)

  The amendment to IAS 12 was published on 23 May 2023. Companies can apply the exemption immediately, but disclosure requirements were already required for annual periods beginning on or after 1 January 2023. The amendments provide companies with a temporary exemption from accounting for deferred taxes arising from the Organisation for Economic Co-operation and Development (OECD) international tax reform.

  The Group applies the amendment to the standard from 1 January 2024 but, in terms of the necessary disclosures, has already adopted it in the 2023 financial statements. At the date of these financial statements, it is not possible to reliably estimate the impact of applying the new standard.

- Amendment to IFRS 16 - Leases, lease commitments in sale and leaseback transactions

  The amendment to IFRS 16 was published on 22 September 2022. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' so that the seller-lessee does not recognise any amount of gain or loss that relates to the right of use retained by the seller-lessee.

The Group applies the change in standard from 1 January 2024.

- Amendment to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier financing arrangements.

  The amendment to IAS 7 was published on 25 May 2023. The amendments are intended to increase transparency about supplier financing arrangements and their impact on a company's liabilities, cash flows and exposure to liquidity risk. The amendments supplement the requirements already contained in the IAS and require entities to disclose additional information related to their contracts, including their impact on liquidity risk. The amendments are effective for annual periods beginning on or after 1 January 2024.

  The Group applied the amendment to the standard from 1 January 2024, following the entry into force of the Commission Regulation (EU) approving the amendments for use in EU countries. The regulation was published on 16 May 2024 and became effective, with effect for reporting periods beginning on 1 January 2024, on the twentieth day after its publication

The implementation of the standards did not affect the Group's financial statements.

Amendments introduced independently by the Group

The Group has not adjusted the presentation of the comparative data as at 31 December 2023 and for the period of 9 months ended 30 September 2024.

Non-applicable standards (New standards and interpretations)

In these financial statements, the Group has not decided to apply the published standards and interpretations earlier before their effective date.

The following standards and interpretations have been issued by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee but are not yet effective at the balance sheet date;

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of currency convertibility

  published on 15 August 2023.

  The amendments will require entities to use a consistent approach to assessing whether a currency is convertible into another currency and, when this is not possible, to determine the exchange rate to be used and the disclosures to be made. The amendments are effective for annual periods beginning on or after 01 January 2025.

The Group will apply the amended standard not sooner than from 1 January 2025. As at the date of these financial statements, it is not possible to reliably estimate the impact of applying the new standard

- IFRS 18 Presentation and Disclosures in Financial Statements published on 9 April 2024.

The new standard will replace IAS 1 and will apply for the first time to annual periods beginning on or after 1 January 2027. The new standard is the result of the so-called Core Financial Statements project and aims to improve the way in which entities report information in their financial statements.

The main changes in the new standard compared to the previous requirements of IAS 1 include:

1) 1) The introduction of categories and defined line summaries in the income statement (statement of comprehensive income), which are intended to provide additional relevant information and ensure an income statement structure that is more comparable between entities. In particular, income and expense items are required to be classified into one of the following categories on the income statement: Operating Activities, Investing Activities, Financing Activities, Income Taxes and Discontinued Operations. Entities will also be required to present the following subtotals: operating profit or loss, earnings or loss before interest and income tax (EBIT), profit or loss.

2) 2) Introducing requirements to improve aggregation and disaggregation to obtain additional relevant information and ensure that material information is not obscured. In particular, IFRS 18 provides guidance on whether the information should be in the basic financial statements (whose role is to provide a useful structured summary) or in the notes. Entities will be required to identify assets, liabilities, equity, income and expenses that arise from individual transactions or other events and classify them into groups based on common characteristics, resulting in the recognition of a grouped item in the basic financial statements that share one or more common characteristics. These groups will then be separated based on further dissimilar characteristics, resulting in the separate disclosure of significant items in the notes. There may be a need to aggregate irrelevant items with different characteristics to avoid obscuring relevant information. Entities should use appropriate narrative headings or, if this is not possible, provide information in the notes about the composition of such aggregated items.

3) The new standard introduces stricter guidance on whether the analysis of operating costs is to be based on their type or function/place of origin. The presentation should be done in a way that provides the most useful structured summary of operating costs by considering several factors.

4) Introduce disclosures on Management Defined Performance Measures (MPMs) in the notes to the financial statements to provide transparency and rigour in the use of such measures and disclosures in one place. Specifically: MPMs are defined as subtotals of revenue and expenses that are used in information provided to public users of financial statements outside the financial statements, supplement the totals or subtotals included in IFRS and convey management's view of an aspect of an entity's financial performance. MPM disclosures that will be mandatory: a description of why the MPM represents management's view of performance; a description of how the MPM was calculated; a description of how the measure/indicator provides useful information about the entity's financial performance; a reconciliation of the MPM to the most directly comparable subtotal or total as defined by IFRS; a statement that the MPM represents management's view of an aspect of the entity's financial performance; the impact of tax and non-controlling interests separately for each of the differences between the MPM and the most directly comparable partial or total amount as determined by IFRSs; if there is a change in the calculation of the MPM, an explanation of the reasons for and effect of the change.

In addition to the above changes, the standard introduces changes to IAS 7: the use of operating profit as a single starting point for the indirect method of reporting cash flows from operating activities; and the removal of presentation alternatives for interest and dividends. The purpose of these changes is to enhance the comparability of the statement of cash flows between different entities.

The Group will apply the new standard from 01 January 2027. At the date of these financial statements, it is not possible to reliably estimate the full impact of applying the new standard.

- IFRS 19 Subsidiaries not subject to public oversight ('without Public Accountability): Disclosures

The new standard IFRS 19 'Subsidiaries not subject to Public Oversight Requirements: Disclosures', which allows subsidiaries to make limited disclosures when applying IFRS in their financial statements. IFRS 19 is optional for qualifying subsidiaries and sets out disclosure requirements for subsidiaries that choose to apply it. The new

standard is effective for reporting periods beginning on or after 1 January 2027 or later, with early application permitted. The standard was published on 9 May 2024 and the EU has not yet started the formal endorsement process for the standard

The Group is not subject to the requirements of the standard due to being an entity subject to public oversight

– Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments published on 30 May 2024

The amendments clarify the principles for classifying financial assets taking into account environmental, social, governance (ESG) and similar characteristics associated with the asset. The amendments also relate to the settlement of liabilities through electronic payment systems - they clarify the date on which a financial asset or liability is derecognised. The amendments are effective for annual periods beginning on or after 01 January 2026.

The Group will apply the amended standard from 01 January 2026. As at the date of these statements, it is not possible to reliably estimate the impact of applying the new standard.

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

On 18 July 2024, minor amendments were made to the following standards as a result of the review of IFRS:

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

These apply predominantly for annual periods beginning on 1 January 2026, with the possibility of earlier application.

The Group will apply the amended standards from 01 January 2026. At the date of these financial statements, it is not possible to reliably estimate the full impact of applying the new standard.

IFRS as adopted by the EU does not currently differ significantly from the regulations adopted by the International Accounting Standards Board (IASB), with the exception of the following standards, interpretations and amendments which as the date of approval of these statements for publication have not yet been adopted for use by the EU countries:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of currency convertibility
  published on 15 August 2023.
- IPSF 18 Presentation and Disclosures in Financial Statements published on 9 April 2024,
- IFRS 19 Subsidiaries not subject to public oversight ('without Public Accountability'): Disclosures published on 9 May 2024, in which case the EU has not yet started the formal endorsement process for this standard,
- Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments published on 30 May 2024,
- Amendments to various standards arising from the annual review of International Financial Reporting Standards (Annual Improvements Volume 11) published on 18 July 2024.

The implementation of the standards will not have a material effect on the Group's financial statements.

Accounting principles applied

For the preparation of these condensed interim consolidated financial statements, the accounting principles have been applied unamended with respect to the principles applied in the preparation of the annual consolidated financial statements for 2023, (- note Declaration of compliance with regulations)

Other new standards and interpretations that came into force in 2024 did not have a material impact on the accounting policies applied by the Group.

Legal basis for preparation of consolidated statements

Uncertainty of estimates

The basic assumptions related to the future and other key sources of uncertainties present at the balance sheet date to which the risk of balance sheet assets and liabilities is related in the following fiscal year are presented below

- depreciation rates,
- impairment of assets (including receivables),
- provisions value,
- deferred tax assets (companies recognise deferred tax assets based on the assumption that there will be a future taxable profit to utilise them; deterioration in future taxable profits could make this assumption unjustified)
- valuation of assets with an indefinite useful life.
- the adopted marginal loan rate and the lease term for agreements with an indefinite period of validity due to the implementation of IFRS 16

As at 31.12.2023, the Group prepared asset impairment tests for the companies in the Makarony Polskie Group. Additionally, impairment tests were prepared for the ABAK brand and goodwill arising on the acquisition of the subsidiary Stoczek Natura Sp. z o.o. As at 30.09.2023, the Company analysed potential premises resulting in the need to prepare new impairment tests for the indicated assets. As a result of the analysis, no premises resulting in the need to prepare new impairment tests were identified. Further tests will be prepared as at 31.12.2024.

Going Concern

The consolidated financial statements of the Makarony Polskie Group have been prepared on the assumption that the business of the Group companies will be continued in the foreseeable future and not significantly reduced. The Group did not conduct operations which were discontinued in the first half of 2022. Group did not conduct operations which were discontinued in the first Q3 of 2024.

Factors and risks with a significant impact on financial performance in the reporting period and subsequent periods

The Group's current financial position, its production potential and its market position offer opportunities for further growth, however, there are a number of factors, particularly of an

external nature, which may directly or indirectly affect the financial results achieved in future periods.

Building a competitive advantage through investments in R&D, product, process and organizational innovations

- investments in new production lines and a research and development center will allow the Group to expand its product range and enter new market segments, both at home and abroad,
- cost and process optimisation measures, e.g. the implementation of MES software within the production facilities will allow for better control of costs and labour intensity of products and improved production accounting, WMS software within the warehouses will improve both warehouse management at all Group locations as well as the system of stock lidding and product flow control, and CMMS software will allow for improved management of the machinery fleet and machinery breakdowns,
- carrying out deep automation and robotisation of packaging processes of pasta products, increasing processing capacity and reducing production costs,
- Makarony Polskie S.A. has a Research and Development Centre for the Pasta Industry, which, in cooperation with scientific institutions, works on developing and implementing innovative technologies for the production of new products: functional, health-promoting, low-processed, easy-to-prepare food, responding to market and nutrition trends,
- the further systematic development of the SoFood brand's range of ready meals in trays and bowls and in new soft packaging formats, in close connection with market trends and the upward trend of this segment, is a good proxy for sales growth in future periods,
- investments in 'green energy' from photovoltaic installations, implemented at all Group sites, will make it possible, on the one hand, to take care of the environment and reduce the Group's carbon footprint and, on the other hand, to reduce the cost intensity of production resulting from increases in electricity prices (the pasta and convenience food production processes are characterised by high energy intensity).

Activity development in the private label segment

- diversifying and enriching the offer addressed to new and existing customers with pro-health and functional products products from the new rolled line, as well as products of Stoczek natura Sp. z o.o. (including ready meals in trays and in bowls),
- special campaigns, seasonal listings of branded products in discount stores,

- activities aimed at improving the profitability of the sales channel, including optimization measures in the area of packaging, taking into account the principles of sustainable development.
- development of relationships with key customers in this segment through managed joint research projects in the area of new product development.

Development of B2B sales channels and Institutions

- developing the category of pasta, meat and vegetable preparations tailored to the expectations of customers in this channel,
- establishing cooperative relations with other pasta producers and producers of complementary goods, in order to supplement the offer for the final customer,
- individualising the offer and thus increasing competitiveness.

Increase in shares and increase in the distribution level on the domestic market

- intensification of trade-marketing activities aimed at increasing the presence Makarony Polskie, SoFood and Novelle brands on the markeT
- strengthening and developing the product portfolio in line with market trends,
- development and implementation of cooperation mechanisms with wholesale customers, retail local networks and network trade, especially in the area of international medium and small networks and convenience networks - as a selective distribution strategy, taking into account the specificity of the categories in which the Group operates,
- focusing on fast and efficient building of brand availability in the modern channel and implementation of an effective distribution policy in the traditional channel,
- intensification of trade marketing activities supporting sales and resale of products and building lasting relationships with customers.

Export development

- a systematic increase in the number of customers in foreign markets - a focus on European markets, where the Group is systematically developing its cooperation with networks and distributors,
- intensifying communication with existing and potential customers through participation in such as trade fairs and the organisation of B2B meetings in target markets,
- development of the product range by offering functional pasta in foreign markets (e.g: Fit, Cardio, Diabetic, legume vegetable) and ready meals in trays and bowls,
- sourcing and implementing private label supply projects,
- partnerships with other entities that have an offer complementary to the Group's offer in order to increase sales opportunities and make the offer more attractive.

Legal basis for preparation of consolidated statements

In the opinion of the Management Board of Makarony Polskie SA, the current financial situation of the Company and the Group allows for the

implementation of the above-mentioned development directions.

Events affecting assets, liabilities, equity, net income or cash flow statement that are unusual because of their nature, size or frequency

Impact of the political and economic situation in Ukraine on the activities of Makarony Polskie Group.

The impact of the political and economic situation in Ukraine on the Group's operations and financial results

Makarony Polskie is visible in several areas:

- due to unrestricted inflow of raw materials and materials, a ban on import of grain and grain products, e.g. flour, from the territory of Ukraine was introduced in 2023, which closed the possibility of developing cooperation with suppliers from the Ukrainian market in the situation of products for which there is no alternative on the domestic market, the situation in Q3 2024 did not change significantly.
- The ongoing warfare and the situation on the Polish-Ukrainian border also affected the decline in trade with Ukrainian customers which translated into a decrease in exports to this market, although a gradual increase in orders from Ukrainian customers was observed in Q3 2024.

Immediately after the outbreak of the war in Ukraine, additional procedures were implemented in the Makarony Polskie Group to secure the continuity of production and mitigate the risk of shortages of raw material, packaging and staff shortages among the staff. These procedures are systematically validated and modified depending on the needs and situation in Ukraine.

The Management Board of Makarony Polskie SA closely monitors the situation related to the war in Ukraine in order to takes steps to minimize the negative impact on the functioning of the Group in the area of security, financial liquidity and achieved results. In the opinion of the Management Board, the current financial situation of the Group does not threaten the continuation of the Group's operations in the next periods.

The situation in Ukraine has not materially affected the Group's operations to date. In the opinion of the Management Board, there are no threats in the Group that would make it impossible to pay its liabilities. The Group has no problems with the repayment of receivables by its contractors (no changes in the collection of receivables were identified). The Group has not identified an increase in the valuation risks and the deposition of inventories. As at the publication date of the statements, the Group does not identify any significant risks of failure to meet the financial covenants included in loan agreements in connection with the war in Ukraine.

At this moment, despite the war going on, it is difficult to predict the further situation in Ukraine and its impact on the situation of the Makarony Polskie Group, but it should be stated that as of today, the impact, both in the area of export sales and purchase of raw materials, is not significant. Other, internal national factors have a much greater impact on the situation of the food business in Poland.

The impact of inflation on consumer behaviour and the food market

The macroeconomic situation related to inflation changes the behaviour of consumers who, caring for their limited budgets, often limit their purchases to a basket of basic needs and products. The price of the product is also becoming increasingly important in purchasing decisions. The stagnation in the market is forcing shops and retail chains to take aggressive action to stimulate consumption and attract customers through deep promotions and shelf price reductions. This has translated into increasing pressure on manufacturers to cut prices, often against the level of producer inflation.

The ever-increasing cost of living and the systematic increase in the minimum wage are also affecting the financial expectations of employees, who are requesting increases, especially at the turn of the calendar year which has a knock-on effect on income, especially in the first quarter of the year.

Opinion of the Management Board regarding the publication of the Group's results forecasts

The Makarony Polskie Group did not publish financial forecasts for the year 2024.

Risks and threats significant for the development of the Group

The current financial situation of the Group, its production potential and market position create opportunities for further development, however, there are many factors, especially those of an external nature, which may directly or indirectly affect the financial results achieved in subsequent years.

The risk of changes in market trends

Risks may include possible changes in consumers' shopping and eating habits, caused, for example, by the macroeconomic (inflation) or geopolitical situation (war in Ukraine, conflict in the Middle East, other conflicts causing disruption in the commodity market). For example, the impoverishment of society as a result of a steady rise in prices and everyday costs can result in an increased demand for cheaper and low-margin products, forcing producers and suppliers to compete aggressively on price, while an increase in the wealth of society can redirect purchasing decisions towards more expensive and high-margin products.

Legal basis for preparation of consolidated statements

After a two-year period of dynamic inflationary increases and a reduction in consumers' real purchasing power, the inflationary situation is now slowing down. There is a trend towards a stabilisation or even decrease in the prices of many food products, including pasta. In Q3 2024, the pressure of retailers' price expectations intensified regardless of the cost structure and market data.

Market trends are monitored on an ongoing basis. The Group's companies quickly and flexibly match their offer to them, both in terms of the products themselves and their production technology. The Group's current product offering is modified in line with market trends.

Risk related to competition

All areas of Makarony Polskie Group's operations belong to highly competitive segments. There is a risk that the intensified actions of competitors, manifested mainly in the deterioration of trading conditions will affect the profitability and revenues of the Group, may affect the achievement of objectives assumed by the Group. All activities of the competitive environment are monitored and carefully analysed on an ongoing basis, which allows for quick response in the area of possible threats. Q3 2024, is a period of stagnation and reduced consumption in some segments of the food market, including pasta. A commercial risk is the increasing pressure on producers to balance their supply capacity with demand. This results in an aggressive pricing policy that is not correlated with the cost level and the dynamically changing market environment, especially in the group of the so-called 'standard products'. This phenomenon has been in the market since H2 2023 and is expected to prevail until at least the end of 2024. The Group minimises this risk by diversifying its business and developing innovative products, including through ongoing R&D projects. Such a strategy creates more opportunities to meet volume targets or respond to unfavourable market trends.

Risk of dependence on recipients

A large part of revenues is generated by the Group through cooperation with organized and centrally-decisive retail chains. A possible lack of continuity of cooperation with customers may affect the amount of revenues. Some of the commercial contracts do not contain a strictly defined volume of estimated purchases that the customer will make during the contract period, which has been a fairly common market practice to date. There is a risk that recipients will submit orders that deviate quantitatively from the monthly plans adopted by the Group. This may result in the inability to meet demand or incomplete use of production capacity, which will have an impact on the results. In an effort to minimise such risks, the Group develops its own analytical tools and

participates in projects, jointly with customers or suppliers, aimed at systematically improving the entire supply chain.

In terms of contracting, the market has not returned to annual periods due to the dynamics of cost changes, the current pricing periods are monthly to three-month or even six-month cycles.

The stagnation in the market is forcing shops and retail chains to take aggressive measures to stimulate consumption and attract customers through promotions, shelf price reductions, often against the level of producer inflation. The gap between market expectations and producers' expectations causes changes in the utilisation of production potentials and the flow of production and sales volumes in short-term periods.

In the Group's opinion, the risk of dependence on customers is not significant, as the Group companies are systematically working towards diversifying their customers and increasing the number of so-called medium-sized customers.

Risk related to changes in raw material and material prices

Makarony Polskie Group consistently strives to implement its strategy in the area of securing the raw material prices with long-term purchase agreements in annual and half-year periods, which helps to limit material decreases in the profitability of the pasta produced. Unfortunately, the current dynamic changes of prices on the global markets make the suppliers more careful and reluctant to enter into such contracts. In the first half of the year, the majority of raw material contracts were concluded for a maximum period of six months, starting in the third quarter and thus after the harvest period, depending on the raw material for quarterly and six-month periods.

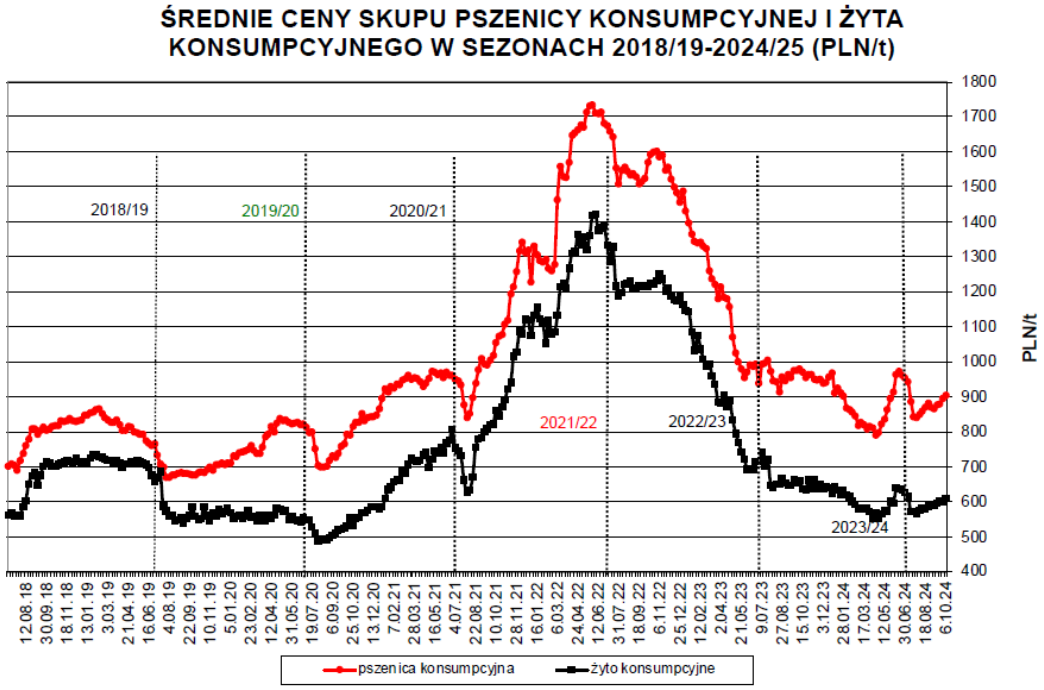
Despite the ongoing hostilities in Ukraine, the situation on the wheat market was rather stable in Q3 of 2024. News of large wheat stocks calmed the market and the first quarter ended with stabilised prices. In the middle of the second quarter, it turned out that individual farmers sold a significant part of their wheat, and this translated into an increase in soft wheat prices.

A factor destabilising the supply-demand balance on the Polish market in 2023 was the import of agricultural products from Ukraine, including cereals with often low quality parameters. The situation caused increased tensions in the agricultural segment, and these resulted in blocking actions by state authorities. Despite the embargo, signals of so-called uncontrolled entry of goods across the Polish-Ukrainian border were confirmed. In the first half of 2024, large imports of foodstuffs, including common and durum wheat, from Russia by some EU countries were also observed, which influenced unhealthy competition and periodic destabilisation in the market, especially of pasta producers.

It is worth noting that, despite the successful wheat harvest in terms of quantity, in the 2024 season the available volume of consumer wheat meeting the appropriate and key quality parameters for the correct pasta production process is limited. This means that the pasta industry still needs to select suppliers ensuring good quality of the final product with greater commitment and organisational effort.

Factors influencing price changes in future periods will be, in particular, electricity prices, wage costs and Russia's continued aggressive sales policy for soft cereals.

The graph below shows the development of soft cereal prices in Poland in recent years:



Consumer rye Source: Weekly report on the market for cereals, oilseeds and feed materials - Cereal market week 41/2024,
Sparks Polska

Prices in the durum wheat market remained fairly stable, albeit high, from the end of Q4 2023 to Q3 2024.
Although data indicate large stocks of the raw material in storage, a fairly fertile harvest in Canada and the United States, the market remains far from reticent about long-term forecasts. At the same time, there has been an increase in European market demand for durum wheat and semolina flour.

The market for eggs and egg pulp, which in 2023 recorded very high price levels, unprecedented in the history of the trade in these raw materials, was stable in Q3 2024 with a gentle downward trend in prices until the last week of September when the situation was

reversed and price levels began to rise. This was certainly influenced by the appearance of disease outbreaks, which would cause flocks to cull and reduce the number of eggs on the market. The situation in future periods will be influenced by factors such as the dynamics of the spread of avian influenza outbreaks, increased demand for Polish eggs in Western European countries, EU policy on imports from Ukraine, among others.

In the foil and cardboard packaging market, from the first quarter of 2024, due to an increase in costs (wages, fuel, etc.), there was an increase in the prices of foil and cardboard packaging and in subsequent periods of the year there was a stabilisation of prices in purchased material categories. Due to a decrease in demand on the market and thus the production of both paper and converting plants in 3Q, the cardboard packaging sector entered the stage of struggle for production profitability, which may cause a periodical decrease in supply on the market, which in consequence will force paper raw material increases. The Makarony Polskie Group continuously monitors the market situation of raw materials and production materials, expands the group of suppliers both for the sake of diversification of potential risks and increase of material security of production plants and for the sake of a broad and authoritative knowledge of the market.

Stoczek Natura Sp. z o.o. is a manufacturer of fruit and vegetable preserves (including jams) and ready meals. The prices of fruit and vegetable The fruit and vegetable prices are highly dependent on the weather conditions. The Company cooperates with domestic fruit and vegetable suppliers, it also has an extensive database of foreign suppliers of key raw materials, which gives the Company greater opportunities to obtain cheap, good quality raw materials.

In 2023, fruit prices were at a good level for processing, allowing satisfactory sales results. Purchasing of fruit and vegetables is carried out seasonally, in the months when their prices are lowest. Purchased raw materials are stored at optimum prices in the company's warehouses and cold stores. For the first three quarters of 2024, raw materials bought in 2023 were used.
In the third quarter of 2024, the company bought the necessary quantities of fruit at stable prices. The 2024 season in terms of fruit purchase was characterised by predictable prices.

Meat is the main raw material influencing the prices of the company's products. The company seeks to secure stocks of this raw material for a period of several months, taking advantage of price decreases in the forecast cycles and thus mitigating the negative impact of increases on its operations. It thus gained time to adjust the sales prices of finished products to the increased production costs, which is particularly important in the case of retail chains, where the process of implementing price increases is stretched over time. Prices for both pork and poultry meat are characterised by stabilisation in 2024. On the pork market in the third quarter of 2024

we are seeing gentle price falls. There has been a decline in demand which directly affects lower prices.

Despite the stabilisation of the prices of utilities such as gas and electricity, the Group continues to monitor price forecasts for key raw materials and packaging. It is estimated that inflation will no longer be as high as in 2023, with prices of some raw materials and packaging stabilising or even falling. Nonetheless, the market and macroeconomic environment remains highly dynamic and volatile - due attention to operational optimisation, systematic monitoring of process efficiency and cost levels, as well as rapid adjustment of product sales prices to the increasing costs of their manufacture are of key importance. This radically changes the business relationship between business partners, e.g. the reluctance of suppliers to set fixed commercial terms for longer contract periods (e.g. one year) translates the risk of operating in the short term and the 'uncertainty of tomorrow' into customers.

Risk of variable legal and tax environment

The Polish legal and tax system is characterised by frequent changes, the legal regulations are significantly changed basically from day to day (e.g: after the outbreak of war in Ukraine) which causes that the activities of companies, including the companies of the Makarony Polskie Group, are burdened with very high uncertainty. This is a detrimental factor for business activity which involves a lot of risk.

Legal factors affecting the Group's operations and the food industry as a whole include both changes in national law, e.g. issues relating to VAT rates on food, as well as legal changes resulting from regulations implemented at European Union level, e.g. implementation of the Single Used Plastic, CSRD directives.

The protection of the interests of the Group in terms of legal changes is supervised by legal teams that in due course take appropriate actions aimed at minimizing the possible effects of these changes. Quality teams keep track of all legal regulations regarding products and packaging, and the changes required by law are implemented without unnecessary delay.

Risk of wage pressure

Systematic increases in the level of the minimum wage and the minimum hourly rate on civil law contracts, mean that wage pressure is building up among employees and potential job applicants. This phenomenon is compounded by the fact that, in recent times, the labour market has increasingly become an employee market. Employers, including Group companies, are increasingly struggling to find suitable

candidates for vacant positions, both among specialists and managers as well as among unqualified persons.

Aiming to minimise staff turnover, particularly among key employees and specialists, the Group seeks to systematically implement incentive-based remuneration systems (linked, inter alia, to production and sales performance), which, by closely linking the performance of individual teams/individuals with the effectiveness of achieving the Group's objectives set for those teams/employees, make it possible to combine a remuneration level that satisfies employees with the profitability of the company's operations. In order to increase motivation and build employee loyalty towards the employer, the Group's companies also systematically diversify the package of non-wage benefits, such as sports cards, group insurance, Christmas cards or private medical care, in order to best match it to the needs and expectations of employees.

The dynamics of wage growth also translates into an increase in the prices of services securing the functioning of production and technology. There is an increase in the cost of maintenance services, which must be performed at a high level due to the need to maintain machinery and technological lines in proper condition. For the time being, these are not costs that translate to a large extent into the price of the products offered by the Group, nevertheless the Group's companies forecast such expenses in their budgets and try to alternatively select tools and elements of cooperation that combine the correlation of the quality of services and the optimum price associated with it.

Risk related to changes in exchange rates

The Makarony Polskie Group is a semolina importer and exporter of finished products. The sales prices of the Company's products are each time determined and take into account the current value of exchange rates so as to ensure satisfactory sales profitability.

The weakening of the zloty may have a negative impact on the profitability level of operations conducted by the Group as an importer. To minimize the risk of changes in foreign exchange rates, the funds obtained by the Group from export sales are used to purchase raw materials outside Poland.

The table presents the currency structure for given classes of financial instruments as at 30 September 2024:

Groups/categories of financial instruments	Balance sheet value as at 30.09.2024 PLN k	Currency exposure as at 30.09.2024 PLN k	EUR PLN k	USD PLN k
Financial assets				
Cash and cash equivalents	43,796	1,463	1,463	0
Trade receivables	34,174	1,804	1,804	0

Financial liabilities				
Trade liabilities	28,677	7,792	7,792	0

The table presents the analysis of the sensitivity of the financial result to changes in exchange rates as at 30 September 2024:

Groups/categories of financial instruments	EUR		USD	
	5%	-5%	5%	-5%
	Impact on the financial result in k PLN		Impact on the financial result in k PLN	
Financial assets				
Cash and cash equivalents	73.2	- 73.2	0.0	0.0
Trade receivables (gross)	90.2	- 90.2	-	-
Financial liabilities				
Trade liabilities	- 389.6	389.6	-	-

Interest rate risk

Interest rate risk is the risk of incurring losses as a result of changes in market interest rates and changes in statutory interest rates. Both the amount of revenues and costs of the Company are sensitive to changes in the level of market interest rates

The Group finances its operations with loans, which increases its sensitivity to the risk caused by interest rate changes in both long-term and short-term financial liabilities.

In Q3 of 2024, the Group used external financing in the form of bank loans: working capital loans, overdrafts and investment loans.

As at 30 September 2024, the Group had a liability due to loans taken out, in the amount of PLN 9,451 k:

Currency	Interest	Balance of loans	Including loans:	
			Short-term	Long-term
PLN	WIBOR + bank's margin	9,451	3,022	6,429

The Group has liabilities due to loans for which interest is calculated on the basis of a variable interest rate, and therefore there is a risk of an increase in these rates in relation to the conclusion of the contract.

The structure of financial instruments exposed to the risk of changes in interest rates as at 30 September 2024 is presented in the table below:

Groups/categories of financial instruments	Carrying amount at 30.09.2024 PLN k	Value at risk as at 30.09.2024 PLN k	WIBOR PLN k
Financial assets			
Cash in hand and at bank	43,796	-	-
Financial liabilities			
Bank loans	9,451	9,451	9,451
Other financial liabilities	2,210	2,210	2,210

The table below presents the analysis of the sensitivity of the financial result to changes in interest rates as at 30 September 2024:

Interest rate	Deviation assumptions (in percentage points) 30.09.2024		Value at risk 30.09.2024 PLN k	Impact on the financial result 30.09.2024 PLN k	
WIBOR	1%	-1%	9,451	- 94.5	94.5

Risk of insolvency

Risk of insolvency means the risk that the Group's contractors will default on their obligations. The Group applies the principle of making transactions with counterparties whose creditworthiness has been verified and of obtaining, if necessary, an appropriate security as a tool to mitigate the risk of financial loss arising from a breach of agreement. The Group uses publicly available financial information and its own data
on transactions when assessing the financial health of its major customers.

The Group's exposure to the risk of contractors' insolvency is constantly monitored; the credit risk control is enabled by limits verified and approved on an ongoing basis within the control structures of the Group. In addition, the Group has covered the selected contractors by trade receivables insurance granted by one of the major insurers operating in this area on the Polish market.

The Group is not exposed to material risk of insolvency towards a single contractors
or a group of contractors.

Selected financial data
Grupa Makarony Polskie

Selected financial data in EURO were presented in accordance with the Regulation of the Minister of Finance of March 29, 2018 on current and periodic information provided by issuers of securities and the conditions for recognizing as equivalent information required by the laws of a non-member state (Journal of Laws. of 2018, item 757).

- items of the statement of financial position have been converted at the average exchange rate announced by the National Bank of Poland as at the balance sheet date 30 September 2024, EUR 1= PLN 4.2791; 31 December 2023, EUR 1= PLN 4.3480
- items of the statement of comprehensive income and statement of cash flows have been converted at the exchange rate being the arithmetic average of the average rates set by the National Bank of Poland effective on the last day of each month of Q1,Q2,Q3 of 2024 = PLN 4.3022 and at the end of each month of Q1, Q2, Q3 of 2023 = PLN 4,5773.

Selected financial data	30.09. 2024 (in PLN k)	30.09. 2023 (in PLN k)	30.09. 2024 in in EUR k)	30.09. 2023 in in EUR k)
Net revenues from sale of products, services, goods and materials	226,516	267,019	52,651	58,335
Profit (loss) from continued operations	32,758	36,828	7,614	8,046
Gross profit (loss)	32,719	35,386	7,605	7,731
Net profit (loss) from continued operations	26,321	28,472	6,118	6,220
EBIT	32,758	36,828	7,614	8,046
EBITDA (EBIT + depreciation)	44,037	47,392	10,236	10,354
Net cash flows from operational activities	34,556	31,544	8,032	6,891
Net cash flows from investment activity	- 6,455	- 5,022	-1,500	-1,097
Net cash flows from financial activity	- 13,306	-18,880	- 3,093	- 4,125
Total net cash flows	14,795	7,642	3,439	1,670
Total assets ***	250,336	238,088	58,502	54,758
Liabilities and provisions for liabilities ***	83,135	88,812	19,428	20,426
Long-term liabilities ***	30,478	35,435	7,123	8,150
Short-term liabilities ***	52,657	53,377	12,306	12,276
Equity ***	167,201	149,276	39,074	34,332
Share capital ***	33,120	33,120	7,740	7,617
Number of shares (units)	11,040,071	11,040,071	11,040,071	11,040,071
Weighted average number of shares (in units) for the period of the financial year concerned ***	11,040,071	11,040,071	11,040,071	11,040,071
Profit/loss per ordinary share(in in PLN/EUR) *	2.38	2 58	0.55	0.56
Book value per one share (in PLN/EUR) ** **	15.14	13.52	3.54	3.11

* Net profit/loss per ordinary share = net result/weighted average number of shares in the period
** Book value per one ordinary share = equity/number of shares at a given balance sheet date
*** Comparable data regarding the statement of financial position as at 31 December 2023 Condensed statement on total revenues of Makarony Polskie SA

CONDENSED CONSOLIDATED STATEMENTS of comprehensive income

For the period	01/07/2024 30/09/2024	01/01/2024 30/09/2024	01/07/2023 30/09/2023	01.01.2023- 30/09/2023
Net sales revenue	**74,093**	**226,516**	**84,754**	**267,019**
Revenues from sales of other products and services	73,263	223,285	84,010	262,004
Net sales revenue from goods and materials	830	3,231	744	5,015
Own cost	**53,671**	**159,940**	**58,438**	**194,728**
Production costs of products and services sold	53,171	157,600	57,770	190,313
Value of goods and materials sold	500	2,340	668	4,415
Gross profit (loss) on sales	**20,422**	**66,576**	**26,316**	**72,291**
Costs of sales	8,820	25,880	8,362	25,773
General administrative costs	2,466	8,027	2,435	8,295
Other revenues	887	2,470	706	2,375
Other costs	-35	2,381	770	3,770
Profit (loss) from continued operations	**10,058**	**32,758**	**15,455**	**36,828**
Financial incomes	395	1,022	- 44	326
Financial costs	336	1,061	468	1,768
Gross profit (loss)	**10,117**	**32,719**	**14,943**	**35,386**
Income tax	1,911	6,398	2,956	6,914
Profit (loss) from continued operations, in this attributable to:	**8,206**	**26,321**	**11,987**	**28,472**
Shareholders of the parent Company	8,206	26,321	11,987	28,472
Basic net result per share in PLN	0.74	2.38	1.09	2.58
Diluted net result per share in PLN	0.74	2.38	1.09	2.58
Other total net income/loss	0	0	0	0
Total net income, in this attributable to:	8,206	26,321	11,987	28,472
Shareholders of the parent Company	8,206	26,321	11,987	28,472
Non-controlling shares				

Condensed consolidated statement of financial position

ASSETS	30 September 2024	31 December 2023	30 September 2023
FIXED ASSETS	**133,702**	**135,644**	**139,730**
Fixed tangible assets	125,065	126,666	127,722
Fixed assets - IFRS-16	6,020	6,491	3,065
Investment real estate 603	0	0	603
Company goodwill value	188	188	2,863
Other intangible assets	2,054	1,983	5,469
Long-term financial assets	0	0	0
Assets for deferred income tax	0	310	0
Other long-term assets	375	6	8
CURRENT ASSETS	**116,634**	**102,444**	**96,824**
Inventories	31,713	28,719	32,498
Short-term receivables	40,740	44,280	48,384
Corporate income tax receivables	0	0	0
Borrowings granted	0	0	0
Cash and cash equivalents	43,796	29,003	15,487
Other short-term assets	385	442	455
ASSETS FOR SALE	**0**	0	**0**
TOTAL ASSETS	**250,336**	**238,088**	**236,554**

LIABILITIES	30 September 2024	31 December 2023	30 September 2023
EQUITY	**167,201**	**149,276**	**144,857**
Revaluation capital	33,120	33,120	33,120
Supplementary capital	88,271	60,344	60,344
Equity shares	- 116	0	0
Reserve capital	25,000	12,000	12,000
Revaluation capital	0	0	0
Retained profits/losses (profit/loss from previous years)	20,926	43,812	39,393
LONG-TERM LIABILITIES	**30,478**	**35,435**	**33,663**
Provision for deferred income tax	2,956	3,878	3,694
Long-term bank loans and borrowings	6,429	8,691	9,445
Other long-term financial liabilities	0	0	0
Provision for pensions and similar (long-term)	1,005	1,065	927
Revenues of future periods - long-term	13,953	15,885	16,522
Long-term financial liabilities - leasing	6,135	5,916	3,075
SHORT-TERM LIABILITIES	**52,657**	**53,377**	**58,034**
Short-term bank loans and borrowings	3,022	3,019	8,177
Other short-term financial liabilities	0	0	0
Short-term financial liabilities - leasing	2,231	1,508	984
Financial liabilities due to dividend	0	0	0
Other short-term liabilities	33,269	33,476	35,082

Income tax receivables from legal persons	4,621	7,867	5,750
Revenues of future periods - short-term	3,497	2,656	2,591
Provision for retirement and similar benefits (short-term)	3,457	2,962	3,226
Other short-term provisions	2,560	1,889	2,224
TOTAL LIABILITIES	**83,135**	**88,812**	**91,697**
TOTAL LIABILITIES	**250,336**	**238,088**	**236,554**

CONDENSED CONSOLIDATED STATEMENTS of cash flows

Makarony Polskie SA Group	01/01/2024 30/09/2024	01.01.2023- 30/09/2023
Profit/loss before tax	**32,719**	**35,386**
Adjustments by items:		
Depreciation	11,279	10,564
Profits/losses on exchange differences	2	- 17
Interest expense and income	- 7	1,240
Profit/loss from investing activities	- 213	- 51
Change in provisions	1,107	3,389
Change in inventories	- 2,994	11,983
Change in receivables	4,512	- 6,556
Change in liabilities and other assets and liabilities	- 1,224	- 19,574
Other adjustments	0	- 216
Total adjustments	**12,462**	**762**
Dividend revenues	0	0
Corporate income tax paid/reimbursed	- 10,625	- 4,604
Net cash flows from operational activities	**34,556**	**31,544**
Cash flows from investment activities		
Proceeds from the sale of fixed assets and intangible assets	279	65
Proceeds from sales of financial assets	0	0
Expenses for the acquisition of fixed tangible assets and intangible assets	- 7,638	- 5,391
Expenses for the acquisition of subsidiaries	0	0
Interest income	904	304
Expenses for the purchase of financial assets	0	0
Proceeds from borrowings granted 0	0	0
Borrowings granted	0	0
Net cash flows from operational activity	**- 6,455**	**- 5,022**
Cash flows from financial activities		
Proceeds from loans and borrowings	3	24
Purchase of equity shares	-116	0
Repayment of loans and borrowings	- 2,262	- 8,755
Payment of liabilities under financial lease agreements	- 1,754	- 1,174
Interest paid	- 897	- 1,544
Payment of other financial liabilities	0	- 807
Dividend paid to shareholders	- 8,280	- 6,624
Net cash flows from operational activity	**- 13,306**	**- 18,880**
Increase/decrease in cash and cash equivalents	14,795	7,642
Cash, cash equivalents and overdrafts at the beginning of the period	**29,003**	**7,828**
Exchange gains/losses on valuation of cash, cash equivalents and overdrafts	- 2	17
Cash, cash equivalents and overdrafts at the end of the period, including	**43,796**	**15,487**
with restricted availability	0	0

Condensed consolidated statement of changes in equity

For the period from 01 January 2024 to 30 September 2024

	Capital capital	Capital supplementary	Equity shares	Reserve capital	Capital from capital revaluation	Retained profit/loss	In total
As at 01 January 2024	33,120	60,344	0	12,000	0	43,812	149,276
Distribution of profit/loss coverage	0	40,927	0	0	0	- 40,927	0
Profit distribution - dividend payment	0	0	0	0	0	- 8,280	- 8,280
Other comprehensive income	0	0	0	0	0	0	0
Decrease in the period	0	-25,000	0	-12,000	0	0	- 37,000
Increase in the period	0	12,000	0	25,000	0	0	37,000
Purchase of equity shares			- 116		0		- 116
Net result after Q3 of 2024	0	0		0	0	26,321	26,321
As at 30 September 2024	33,120	88,271	- 116	25,000	0	20,926	167,201

For the period from 01 January 2023 to 31 December 2023

	Capital capital	Capital supplementary	Capital reserve	Capital from capital revaluation	Retained profit/loss	In total
As at 01 January 2023	33,120	53,521	12,000	114	24,159	122,914
Distribution of profit/loss coverage	0	6,823	0	0	- 6,823	0
Profit distribution - payment dividend	0	0	0	0	- 6,624	- 6,624
Revaluation surplus carry-over	0	0	0	-209	209	0
Other comprehensive income	0	0	0	0	0	0
Increase in the period	0	0	0	95	0	95
Net result in 2023	0	0	0	0	32,891	32,891
As at 31 December 2023	33,120	60,344	12,000	0	43,812	149,276

For the period from 01 January 2023 to 30 September 2023

	Capital capital	Capital supplementary	Capital reserve	Capital from capital revaluation	Retained profit/loss	In total
As at 01 January 2023	33,120	53,521	12,000	114	24,159	122,914
Distribution of profit/loss coverage	0	6,823	0	0	- 6,823	0
Profit distribution - payment dividend	0	0	0	0	- 6,624	- 6,624
Revaluation surplus carry-over	0	0	0	-209	209	0
Other comprehensive income	0	0	0	0	0	0
Increase in the period	0	0	0	95	0	95
Net result after Q3 of 2023	0	0	0	0	28,472	28,472
As at 30 September 2023	33,120	60,344	12,000	0	39,393	144,857

Additional notes

Revenues from sale of products, services, goods and materials by business segments

For management purposes, the Group is divided into business units based on the products and services offered.

	01/07/2024 30/09/2024	01/01/2024 30/09/2024	01/07/2023 30/09/2023	01/01/2023 30/09/2023
Revenues from sales of products	72,043	219,524	82,689	257,630
Revenues from the sale of services, including:	1,220	3,761	1,321	4,374
- service production	290	821	179	845
- for lease, storage	883	2,792	1,122	3,371
- other	47	148	20	158
Revenues from sale of materials	3	14	126	2,704
Revenues from sale of goods	827	3,217	618	2,311
Total	**74,093**	**226,516**	**84,754**	**267,019**

In the period from 1 January to 30 September 2024, the Group recorded an approximately 15.2% decrease in sales revenue compared with the same period in 2023. Sales revenue amounted to approximately PLN 226.5 million in this period.

The value of the Group's revenue in Q3 2024 amounted to approximately PLN 74.1 million and was lower

by approximately 12.6% compared with the same period in 2023.

Operating segments

In Q3 of 2024, the Makarony Polskie Group carried out sales according to the following product groups, achieving the following revenues on this account:

	01/07/2024 30/09/2024	01/01/2024 30/09/2024	01/07/2023 30/09/2023	01.01.2023- 30/09/2023
Pasta	57,818	178,036	67,666	214,686
Meat and vegetable preserves	13,881	40,791	14,533	40,413
Vegetable and fruit preserves	1,426	4,593	1,800	6,024
Total	968	3,096	755	5,896
Total	**74,093**	**226,516**	**84,754**	**267,019**

The Group has applied IFRS 8 "Operating Segments". In accordance with the requirements of IFRS 8, operating segments should be identified based on internal reports on these elements, which are regularly verified by persons deciding on the allocation of resources to a given segment and assessing its financial results. In terms of assets

and liabilities of the main bodies responsible for making operational decisions

do not analyse data by operating segments.

Basic information about operating segments:

01.01.2024-30.09.2024	Pasta	Meat and vegetable preserves	Vegetable and fruit preserves	Other	Segments In total
Revenues					
Sales to external customers	178,036	40,791	4,593	3,096	226,516
Sales between segments					
Total revenues of the Group	178,036	40,791	4,593	3,096	226,516
Costs					
Segment costs	122,600	32,654	3,871	815	159,940
Profits or losses of segments (gross result on sales)	55,436	8,137	722	2,281	66,576

01.07.2023-30.09.2023	Pasta	Meat and vegetable preserves	Vegetable and fruit preserves	Other	Segments In total
Revenues					
Sales to external customers	214,686	40,413	6,024	5,896	267,019
Sales between segments					
Total revenues of the Group	214,686	40,413	6,024	5,896	267,019
Costs					
Segment costs	153,845	32,071	5,517	3,295	194,728
Profits or losses of segments (gross result on sales)	60,841	8,342	507	2,601	72,291

Revenues from sale of the Makarony Polskie Group in the period from 1 January to 30 September 2024 amounted to approximately PLN 226.5 million and were lower by approximately 15.2% compared to the same period in 2023 (by approximately PLN 40.5 million).

Revenues from sales in the pasta category in the analysed period decreased by approximately PLN 36.6 million to approximately PLN 178 million. The drop in sales of around 17.1 % was mainly due to the development of new market price levels for food products.

Comparing the first three quarters of 2024 to the same period in 2023, gross sales result in the pasta segment decreased by approximately PLN 5.4 million.

The Group's sales in the processed meat and vegetable segment increased by approximately PLN 0.4 million to approximately PLN 40.8 million in the analysed period. The growth by approx. 1% was caused by:

- optimisation of the product portfolio in order to focus sales on products

with greater market potential and improving the profitability of this segment,

– higher volume sales of products in this segment, which compensated for decreases in the level of prices of the offered products forced by the rapidly changing reality of the prepared meals market.

Comparing the first three quarters of 2024 to the same period in 2023, the gross sales result in the processed meat and vegetable segment decreased by approximately PLN 0.2 million.

Sales of the vegetable and fruit preserves category amounted to approximately PLN 4.6 million (a decrease of approximately PLN 1.4 million compared with the same period in 2023).

01.07.2024-30.09.2024	Pasta	Meat and vegetable preserves	Vegetable and fruit preserves	Other	Segments In total
Revenues					
Sales to external customers	57,818	13,881	1,426	968	74,093
Sales between segments					
Total revenues of the Group	57,818	13,881	1,426	968	74,093
Costs					
Segment costs	41,080	11,241	1,217	133	53,671
Profits or losses of segments (gross result on sales)	16,738	2,640	209	835	20,422

01.07.2023-30.09.2023	Pasta	Meat and vegetable preserves	Vegetable and fruit preserves	Other	Segments In total
Revenues					
Sales to external customers	67,666	14,533	1,800	755	84,754
Sales between segments					
Total revenues of the Group	67,666	14,533	1,800	755	84,754
Costs					
Segment costs	45,276	11,286	1,661	215	58,438
Profits or losses of segments (gross result on sales)	22,390	3,247	139	540	26,316

The sales revenue of the Makarony Polskie Group in Q3 2024 was approx. PLN 74.1 million and were lower by approximately 12.6% compared to Q3 2023.

Sales revenue in the pasta category in Q3 2024 was approximately PLN 57.8 million (down by approximately 14.6% compared with the same period in 2023), and gross profit on sales was approximately PLN 16.7 million.

The Group's sales in the processed meat and vegetable segment in Q3 2024 amounted to approximately PLN 13.9 million and decreased by approximately PLN 0.7 million (approximately 4.5%) compared with the corresponding period in 2023. The gross sales result in this segment decreased by approximately 18.7% in Q3 2024 compared with the corresponding period in 2023.

Sales of the vegetable and fruit preserves category amounted to approximately PLN 1.4 million in Q3 2024 (down approximately 20.8%) compared with the corresponding period in 2023. Gross profit on sales in this segment increased by approximately 50.4% in Q3 2024 compared with the corresponding period of 2023.

Revenue from sale of products, services, goods and materials - geographical structure

The sales markets of the Makarony Polskie Group can be divided into the domestic market (including private label, traditional trade, modern trade and B2B and institutions) and export (including sales through domestic intermediaries).

For the period	01/07/2024 30/09/2024	01/01/2024 30/09/2024	01/07/2023 30/09/2023	01.01.2023- 30/09/2023
Country	68,597	211,066	79,610	251,962
Exports, including:	5,496	15,450	5,144	15,057
- European Union countries	3,006	9,044	2,333	8,657
- other countries	2,490	6,406	2,811	6,400
Total	**74,093**	**226,516**	**84,754**	**267,019**

In the period from 1 January to 30 September 2024, sales amounted to approximately PLN 211.1 million in the domestic market and approximately PLN 15.5 million in exports. In the corresponding period of 2023, these volumes amounted to approximately PLN 252 million and approximately PLN 15.1 million respectively.

In Q3 2024, the value of sales amounted to approximately PLN 68.6 million on the domestic market and approximately PLN 5.5 million in exports. In the corresponding period of 2023, these volumes amounted to approximately PLN 79.6 million and approximately PLN 5.1 million respectively.

Other operating income and expenses

OTHER REVENUES

For the period	01/07/2024 30/09/2024	01/01/2024 30/09/2024	01/07/2023 30/09/2023	01.01.2023- 30/09/2023
State subsidies	644	1,936	647	1,943
Profit on sale of tangible fixed assets	41	213	0	0
Release of provisions for litigation liabilities	148	148	0	0
Reversal of impairment losses on receivables	0	0	0	0
Reversal of impairment losses on inventory	0	0	0	71
Sale of scrap and waste	22	28	13	23
Profit on occasional acquisition	0	0	0	0

Reimbursement of court and bailiff fees	29	30	0	0
Compensation and complaints	0	47	24	37
Reimbursement of social security contributions	0	1	2	2
Purchase discounts granted	0	0	0	34
Accounting for R&D relief retrospectively	0	0	0	216
Surplus inventories	0	55	0	3
Total	3	12	20	46
Total	**887**	**2,470**	**706**	**2,375**

Other revenues include revenues and profits not directly related to the Group's operating activities. This category includes received subsidies, profits from the sale of tangible fixed assets, received compensations related to the reimbursement of court costs, overpaid tax liabilities, except for corporate income tax, and received compensations for losses in the companies' property covered by insurance.

Other revenues also include the reversal of write-downs on receivables and inventories as well as the reversal of impairment losses on assets.

OTHER COSTS

For the period	01/07/2024 30/09/2024	01/01/2024 30/09/2024	01/07/2023 30/09/2023	01.01.2023- 30/09/2023
Loss from sale of fixed tangible assets	0	0	0	20
Creation of provisions	-110	0	6	6
Write-down of receivables	0	0	0	0
Write-downs of inventories	-125	588	0	1,093
Donations	11	39	4	19
Penalties and fines	7	48	8	118
Court and bailiff fees, adjudicated costs	0	5	0	8
Advertising sponsorship	39	181	12	91
Liquidation of damaged and expired inventories	40	213	228	748
R&D costs	103	1,303	501	1,512
Costs of insured repairs	0	0	18	18
Inveterate shortages	0	0	0	45
Total	0	4	- 7	92
Total	**- 35**	**2,381**	**770**	**3,770**

Other costs include costs and losses not directly related to the Group's operating activities. This category includes losses on the sale of tangible fixed assets, donations made both in kind and in cash

to other entities, including charitable entities, and the effects of concluded commercial contracts, guarantees and sureties given to other entities.

Other costs also include the costs of write-downs on the value of assets, not culpable shortages in current assets and losses due to the liquidation of damaged and overdue inventories.

Other financial income and expenses

FINANCIAL INCOMES

For the period	01/07/2024 30/09/2024	01/01/2024 30/09/2024	01/07/2023 30/09/2023	01.01.2023- 30/09/2023
Interest income, including:	353	927	77	322
- interest on loans and deposits	341	904	77	315
- interest on receivables	12	23	0	7
Profits on exchange differences	42	95	-121	0
Profit on disposal of investments - shares 0	0	0	0	0
Total	0	0	0	4
Total	395	1,022	- 44	326

Financial revenues include revenues from received dividends, obtained and accrued interest on late payment of receivables, interest on investment activities in various forms of financial instruments. Financial activities also include foreign exchange profits.

FINANCIAL COSTS

For the period	01/07/2024 30/09/2024	01/01/2024 30/09/2024	01/07/2023 30/09/2023	01.01.2023- 30/09/2023
Interest costs, including those relating to:	276	901	392	1,578
- bank loans	153	492	351	1,270
- factoring and leasing costs	48	132	18	191
- IFRS-16 interest costs	73	273	17	106
- other	2	4	6	11
Other financial costs, including:	60	160	76	190
- loss due to negative exchange rate differences	0	0	21	21
- guarantee	8	20	7	25
- discount and bank commission costs	52	140	48	144
- other financial costs	0	0	0	0
Total	**336**	**1,061**	**468**	**1,768**

Financial costs include costs due to the use of external financing sources, i.e.: loans, borrowings, trade liabilities, financial lease agreements to which the Group is a party and other financial costs. Financial activities also include foreign exchange losses.

- Data regarding the financial result and shares that were used to calculate basic and diluted earnings per share

For the period	01/01/2024 30/09/2024	01.01.2023- 30/09/2023
Net profit/loss per share	2.38	2.58
Book value per share in PLN (according to data as at 30.09.2024, and data as at 31.12.2023)	15.14	13.52

For the period	01/01/2024 30/09/2024	01.01.2023- 30/09/2023
Net profit/loss from continuing operations attributable to shareholders of the parent company	26,321	28,472
Profit/loss on discontinued operations attributable to shareholders of the parent company		
Net profit/loss attributable to shareholders of the parent company	26,321	28,472
Net profit/loss attributable to ordinary shareholders, used in the calculation of diluted profit/loss per share	not applicable	not applicable

For the period	H1 of 2024	H1 of 2023
Weighted average number of ordinary shares in issue used to calculate basic profit/loss per share	11,040,071	11,040,071
Impact of dilution	not applicable	not applicable
Adjusted weighted average number of ordinary shares used in the calculation of diluted profit/loss per share	not applicable	not applicable

Net profit falling per one share is calculated by dividing the net profit for the period falling to normal shareholder of the parent company by average weighed number of issued common shares present in the period.

Diluted earnings per share are calculated by dividing the net profit for the period attributable to ordinary shareholders of the parent company (net of interest on redeemable preference shares convertible into ordinary shares) by the weighted average number of ordinary shares outstanding during the period (adjusted
for the effect of diluting options). and diluting redeemable preferred shares convertible into ordinary shares).

Additional notes

In the parent Company in Q3 of 2024, there were no factors diluting the core capital.

Book value per share is the quotient of equity by the number of shares at a given balance sheet date.

Core capital

The share capital of Makarony Polskie S.A. as at 30 September 2024 amounted to PLN 33,120,213.

and was divided as follows:

	Type of share	Type of privilege	Number of Shares in units	Nominal number on 1 share (in PLN)	Value of the series (issue) at nominal value in PLN k	Method of capital coverage	Date of registration	Right to dividend (from)
Series A	bearer shares	ordinary shares	3,013,250	3	9,040	cash contributions	05.07.2004	01.01.2004
Series B	bearer shares	ordinary shares	1,169,750	3	3,509	non-cash contributions	29.10.2004	01.01.2004
Series C	bearer ordinary	shares	3,000,000	3	9,000	cash contributions	18/04/2007	01/01/2007
Series D	bearer shares	ordinary shares	1,735,821	3	5,207	cash contributions	22.06.2007	01.01.2007
Series E	bearer ordinary	shares	331,250	3	994	non-cash contributions	11/02/2008	01/01/2008
Series F	bearer shares	ordinary shares	1,790,000	3	5,370	cash contributions	04.03.2022	01.01.2021*
In total			**11,040,071**		**33,120**			

Information on changes in estimates related to the consolidated financial statements

CHANGES DUE TO PROVISIONS

Changes in balance of provisions as at 30.09.2024	As at 01.01.2024	Creation	Use and release	As at the end of the period
For pension and similar benefits, including:	4,027	1,113	678	4,462
a) long-term	1,065	1	61	1,005
b) short-term	2,962	1,112	617	3,457
Other provisions, including: 0	1,889	1,978	1,307	2,560
b) other	1,889	1,978	1,307	2,560
Total	**5,916**	3,091	1,985	7,022

Changes in balance of provisions as at 31.12.2024	As at 01.01.2023	Creation	Use-up and release	As at the end of the period
For pension and similar benefits, including:	2,916	1,614	503	4,027
a) long-term	495	570	0	1,065
b) short-term	2,421	1,044	503	2,962
Other provisions, including: 0	71	1,889	71	1,889
b) other	71	1,889	71	1,889
Total	**2,987**	**3,503**	**574**	**5,916**

The Group companies pay the retiring employees amounts of severance payments in the amount specified by the Labor Code and internal regulations. In relation to this, the Company based on the assessment performed by actuary, creates a reserve for current amount of liabilities by virtue of severance payments.

Calculation of the provision has been made for people currently employed and does not apply to persons who will be accepted for future work. The right to retirement bonuses is available to every employee who has reached the retirement age. For persons who are already pensioners (who have received a severance payment), the provision is not created

DEFERRED INCOME TAX PROVISION ASSETS AND PROVISIONS

Changes in status as at 30.09.2024	As at 01.01.2024	Creation	Use and release	As at the end of the period
Asset for deferred income tax	1,334	1,042	675	1,701
Provision on deferred income tax	4,902	127	741	4,288
Asset/Provision after compensation	3,568	0	0	2,587

Changes in status as at 31.12.2023	As at 01.01.2023	Creation	Use and release	As at the end of the period
Asset for deferred income tax	942	596	204	1,334
Provision on deferred income tax	6,027	0	1,125	4,902
Asset/Provision after compensation	5,085	0	0	3,568

The current tax burden is calculated on the basis of the applicable tax regulations. The application of these regulations differentiates the tax profit (loss) from the accounting net profit (loss), in connection with the exclusion of non-taxable revenues and costs that are not tax deductible costs and items of costs and revenues that will not be subject to taxation in a given period. Tax burdens are calculated based on the tax rates applicable in a given financial year - currently 19%

- the legislation does not provide for differential tax rates for future periods.

In terms of income tax, the Group is subject to general regulations in this area. The Group is not a tax Group, as well as does not operate in a special economic zone, which would differentiate the rules for determining tax charges in relation to general provisions in this respect. The tax year and the balance sheet year coincide with the calendar year. On January 1, 2020, Makarony Polskie SA and Stoczek Natura Sp. z o.o. chose a simplified form of paying monthly advances on corporate income tax. As at 30 September 2024, a deferred tax liability of PLN 4,278 thousand was recognised as the difference between the prepayments shown in the statement of comprehensive income and the actual tax resulting from the calculated tax base, which was presented in the statement of financial position as an income tax liability.

WRITE-DOWNS ON ASSETS

Changes in status as at 30.09.2024	As at 01.01.2024	Creation	Use and release	As at the end of the period
Write-downs of receivables	209	0	0	209
Write-downs of inventories	845	587	0	1,432
Write-downs of tangible fixed assets 0	1,207	0	48	1,159
Write-downs of intangible assets	8,511	0	0	8,511

Changes in Balance as at 31.12.2023	As at 01.01.2023	Creation	Use and release	As at the end of the period
Write-downs of receivables	227	73	91	209
Write-downs of inventories	197	845	197	845
Write-downs of tangible fixed assets 0	1,444	0	237	1,207
Write-downs of intangible assets	4,583	3,928	0	8,511

The Group makes a write-down of assets. During 2024, there were indications to make a write-down of inventories, receivables and tangible fixed assets..

Long-term and short-term financial liabilities

BANK LOAN LIABILITIES

	As at 30.09.2024	As at 31.12.2023
up to 1 year	3,022	3,019
More than one year	6,429	8,691
Total	**9,451**	**11,710**

LIABILITIES FROM FINANCE LEASING CONTRACTS

	Total present value of minimum fees	
	as at 30.09.2024	as at 31.12.2023
up to 1 year	956	358
within 1 to 5 years	1,254	500
Total	**2,210**	**858**

As at 30 September 2024, the Group's companies have fixed assets used under leasing agreements. The carrying value of machinery and equipment, cars and other fixed assets used under finance leases as at 30 September 2024 was PLN 3,088 k

LIABILITIES FROM LEASING CONTRACTS - IFRS-16

	Total present value of minimum fees	
	as at 30.09.2024	as at 31.12.2023
up to 1 year - lease	1,271	1,146
up to 1 year – Perpetual usufruct right to land	4	4
within 1 to 5 years - lease	3,478	4,229
in the period over one year - Perpetual usufruct right to land	1,403	1,187
Total	**6,156**	**6,566**

As at 30 September 2024, the Group has fixed assets used under lease agreements. As at 30 September 2024, the carrying amount of tangible assets under lease of premises, the right of perpetual usufruct of land and machinery and vehicles was PLN 9,108 k including PLN 4,687 k under lease of premises, PLN 1,333 k under perpetual usufruct of land, and PLN 3,088 k under machinery and vehicles.

Dividends paid and proposed for payment

In 2024, the Management Board of the Company decided to recommend to the Annual General Meeting that the net profit for the period from 01 January 2023 to 31 December 2023 in the amount of PLN 24,798,453.79 should be divided as follows:

- to pay the shareholders a dividend of PLN 0.75 gross per share,
  i.e. to allocate the amount of PLN 8,280,053.25 for dividend payment,
- allocate the remaining part of the profit of PLN 16 518 400.54 to the Company's supplementary capital.

According to Article 382 §3 of the Commercial Companies Code, this recommendation was presented by the Management Board to the Supervisory Board for information and received a positive opinion of the Supervisory Board.

On 24 June 2024, the Annual General Meeting of Makarony Polskie SA adopted resolutions on approving the financial statements for the reporting year 2023 and net profit distribution. By decision of the General Meeting, the net profit for the period from 1 January 2023 to 31 December 2023 was distributed in accordance with the recommendation of the Board of Directors, i.e. as follows:

- the amount of PLN 8 280 053.25 was earmarked for the payment of dividends to shareholders

  amounting to PLN 0.75 gross per share,
- the remaining part of the profit in the amount of PLN 16 518 400.54 was allocated to the Company's supplementary capital.

The dividend date was set for 03 July 2024. The dividend was paid on
12 July 2024: 11,040,071 Company shares were entitled to the dividend.

The Management Board of Makarony Polskie SA decided that in the next financial years it would also try to recommend to the Annual General Meeting the payment of dividends to shareholders, although each time the possibility of paying a dividend will depend on the amount of profit achieved, current investment objectives and the situation.

Remuneration of members of the Management Board and Supervisory Board of parent unit

The total remuneration paid to the members of the Management Board of Makarony Polskie S.A. in the period from 1 January to 30 September 2024 was PLN 1,263 k, in the corresponding period of 2023 it was PLN 1,120 k.

Remuneration paid to the Members of the Supervisory Board of Makarony Polskie S.A. in the period from 1 January to 30 September 2024 was PLN 138 k, in the corresponding period of 2023 it was PLN 121 k.

Members of the Management Board and Supervisory Board of Makarony Polskie SA did not receive any remuneration
from subsidiaries.

The Company did not grant any loans to members of the Management Board and Supervisory Board of Makarony Polskie SA.

Settlement between related parties and subsidiaries

During the Q3 of 2024, the companies of the Makarony Polskie Group did not conclude any significant transactions with each other under the terms other than market terms.

Additional notes

Within the Makarony Polskie Company, individual companies enter into transactions of purchase and sale of products, goods and services among themselves. There are agreements between the companies specifying the terms of cooperation, adapted to the Group's organizational structure. All transactions are performed under the market terms and conditions.

Affiliate	Sales to affiliates for the period			
	01/07/2024 30/09/2024	01/01/2024 30/09/2024	01/07/2023 30/09/2023	01.01.2023- 30/09/2023
Parent company - Makarony Polskie SA	243	768	128	938
to Stoczek Sp. z o.o.	236	753	125	336
to MP Trade Sp. z o. o.	7	15	3	25
SAS Sp. z o.o.	0	0	0	577

Affiliate	Purchases from affiliates for the period			
	01/07/2024 30/09/2024	01/01/2024 30/09/2024	01/07/2023 30/09/2023	01.01.2023- 30/09/2023
Parent company - Makarony Polskie S.A.	12,536	38,712	13,676	43,431
from Stoczek Sp. z o.o.	11,778	35,054	12,993	36,002
from MP Trade Sp. z o.o.	758	3,658	683	3,368
SAS Sp. z o.o.	0	0	0	4,061

Affiliate	Receivables from affiliates		Liabilities towards affiliates	
	As at 30/09/2024	As at 30/09/2023	As at 30/09/2024	As at 30/09/2023
Parent company - Makarony Polskie SA	169	114	7,280	8,618
from/to Stoczek Sp. o.o. 0	165	112	6,724	8,357
from/to MP Trade Sp. z.o.o.	4	2	556	261
SAS Sp. z o.o.	0	0	0	0

Settlements between subsidiaries

Subsidiaries	Sales and purchases between subsidiaries for the period			
	01/07/2024 30/09/2024	01/01/2024 30/09/2024	01/07/2023 30/09/2023	01.01.2023- 30/09/2023
Total subsidiary	1	38	1	198
from Stoczek Sp. o.o. 0 to MP Trade Sp. z o.o.	1	3	1	3
from MP Trade Sp. z. o. o. to Stoczek Sp. z o.o.	0	35	0	195
from SAS Sp. z o.o. to Stoczek Sp. z o.o./ MP Trade Sp. z o.o.	0	0	0	0

Subsidiaries	Receivables between subsidiaries		Liabilities between subsidiaries	
	As at 30/09/2024	As at 30/09/2023	As at 30/09/2024	As at 30/09/2023
Total subsidiary	0	0	0	0
from Stoczek Sp. o.o. 0 to MP Trade Sp. z o.o.	0	0	0	0
from MP Trade Sp. z. o. o. to Stoczek Sp. z o.o.	0	0	0	0
from SAS Sp. z o.o. to Stoczek Sp. z o.o./ MP Trade Sp. z o.o.	0	0	0	0

Information on planned share issues

During the reporting period and until the date of publication of these statements, the Company did not issue any shares.

Authorisation for the Management Board to purchase own shares of Makarony Polskie S.A.

On 24 June 2024, the General Meeting of the Company, in response to the proposal made by the Management Board of the Company, by Resolution No. 26, resolved to authorise the Management Board of the Company to acquire ordinary bearer shares of Makarony Polskie S.A., with a nominal value of PLN 3.00 each, listed on the main market of the Warsaw Stock Exchange, i.e. the official stock exchange listing market.

Pursuant to the decision of the General Meeting, the Company is authorised to purchase its own fully paid-up Shares, with the maximum number of treasury shares that the Company may purchase being 1,000,000 shares, with the proviso that the total nominal value of the shares purchased, together with the nominal value of the remaining shares that have not been sold by the Company, may not exceed 20% of the Company's share capital. The shares will be purchased in particular for the purpose of: redemption, further resale or exchange.

The granted authorization covers a period of 5 years from the date of adopting the Resolution of the General Meeting, but no longer than until the capital reserve created for the purpose of acquiring own shares is used.

In accordance with the resolution of the General Meeting, the payment price per share will range from PLN 6.00 to PLN 25.00 and the total maximum payment for the acquired shares will not exceed the amount of the reserve capital created for this purpose.

The date of commencement and termination of the acquisition of treasury shares, as well as the terms and conditions of the acquisition of treasury shares not specified in the Resolution of the General Meeting, the Management Board is obliged to communicate each time to the public, in accordance with Article 56 of the Act of 29 July 2005 on public offering (...) and in accordance with Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (...).

The General Meeting authorized the Management Board to take all factual and legal actions necessary to acquire own shares in accordance with the adopted Resolution and to define the remaining rules and conditions for the acquisition of own Shares, in the scope not regulated by the Resolution

For the purpose of carrying out the acquisition of treasury shares by the Company, on the basis and within the limits of the authorisation granted to the Management Board, a reserve capital of PLN 25.0 million was created. The reserve capital was created by transferring an amount of PLN 25.0 million from the Company's reserve capital.

Pursuant to a resolution of the General Meeting, the Management Board, guided by the interests of the Company, may, after consulting the Supervisory Board, terminate the acquisition of equity shares before the end of the authorisation and, with the consent of the General Meeting, abandon the acquisition of equity shares in part or in whole, provided that information on such decisions is to be made public by the Management Board in the manner prescribed by the Act on Offering and the Ordinance.

Buyback of equity shares

On 9 September 2024, the Management Board of the Company, acting within the boundaries and on the basis of the authorisation granted by the Annual General Meeting by Resolution No. 26 of 24 June 2024 regarding the authorisation of the Management Board of the Company to buyback its equity shares, adopted the Regulations of the Makarony Polskie S.A. Equity Share Buyback Programme.

The adopted Regulations set out the detailed terms and conditions for the acquisition of treasury shares by the Company and were made public by current report No. 14/2024 of 9 September 2024. Pursuant to the Regulations, the Company may acquire its equity shares for cancellation, further resale, conversion, as well as for any other purpose in accordance with Resolution No. 26 of the Ordinary General Meeting of the Company of 24 June 2024 and Article 362
§ 8 of the Commercial Companies Code.

On 9 September 2024, the Company's Management Board entered into a framework Agreement with the investment company Trigon Dom Maklerski S.A. to buy back 1,000,000 equity shares of Makarony Polskie S.A. for the period until 30 June 2026 at a price not lower than PLN 6.00 and not higher than PLN 20.00 per share.

At the same time, the Company's Management Board decided to start purchasing Equity Shares as part of transactions concluded on the regulated market of the Warsaw Stock Exchange S.A. by submitting the first order to Trigon Dom Maklerski S.A. to purchase Equity Shares in the quantity of 1,000. 000 units, for a period until 8 December 2024, at a price of not less than PLN 6.00 and not more than PLN 20.00 per share, under the conditions set out in the provisions of Commission Delegated Regulation (EU) 2016/1052 of 8 March 2

016 supplementing Regulation (EU) No 596/8 of the European Parliament and of the Council as regards regulatory technical standards on conditions applicable to buy-back programmes and stabilisation measures and national legislation.

Equity shares are purchased on the official stock exchange listing market operated by the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie SA) as a result of brokerage orders. The total number of equity shares purchased under the order referred to above may not exceed 1,000,000 (in words: one million) units, representing 9.06% of the value of the Company's share capital.

During the reporting period, i.e. in the period from 9 September 2024 to 30 September 2024, 5 953 own shares of Makarony Polskie SA (PLMKRNP00015) with a nominal value of PLN 3.0 each were purchased for the Company's account at an average unit share price of PLN 19.49. The equity shares acquired in the reporting period represented approximately 0.05% of the share capital and the same % share in the total number of votes at the General Meeting of Shareholders.

A total of 19,733 equity shares of Makarony Polskie S.A. (PLMKRNP00015) with a nominal value of PLN 3.0 each, at an average unit share price of PLN 19.66, were purchased for the Company's account in the period from the start date of the share buyback, i.e. from 9 September 2024 to 18 November 2024. The acquired equity shares represent approximately 0.18% of the share capital and the same % share in the total number of votes at the General Meeting of Shareholders

Agreements material for the Group's operations

During Q3 2024 and up to the publication date of this report, the Company has not entered into any agreements that meet the criteria of a significant agreement.

Submission of the most favourable offer by Stoczek Natura Sp. z o.o. in the public procurement procedure organised by the National Centre for Agricultural Support

On 30 September 2024, the subsidiary Stoczek Natura sp. z o.o. was informed that it had submitted the most favourable offer for the supply of bretonne beans as part of the public procurement procedure entitled Deliveries of foodstuffs within the framework of the European Funds for Food Aid Programme 2021-2027 Subprogramme 2024 - partial task 19 (hereinafter: Proceedings), organised by the National Centre of Agricultural Support ("KOWR). The value of the offer amounts to PLN 18.5 million.

The procedure under the Proceedings has not been completed, Stoczek Natura Sp. z o.o. is awaiting the signing of a contract in the aforementioned scope.

Information on concluded and terminated loan and factoring agreements

LONG- AND SHORT-TERM LOANS AND BORROWINGS

	30/09/2024	30/09/2023
- long-term part	6,429	9,445
- short-term part	3,022	8,177
Total	**9,451**	**17,622**

The balance of loan and factoring agreements in effect as at 30 September 2024, for which Makarony Polskie SA was a party to the agreements, is presented in the tables below:

– Overdraft in Santander Bank Polska SA

Loan terms and conditions	30.09.2024
Loan contractual value	PLN 5,000 k
Loan period	18.10.2013 – 02.06.2025
Interest rate	WIBOR 1M + the bank's margin that does not differ from the standards applied by the bank
Loan balance	PLN 0 k
Repayment schedule	once on the liability maturity date
Loan collateral	– joint mortgage up to PLN 7,500 on the following real estates: a) a) KW No. RZ1Z/00076860/5 in Rzeszów and KW No. PL1P/00094893/6 in Płock, together with the assignment of rights under the real estate insurance policy, b) KW no. PL1P/00097530/5, KW no. PL1P/00114158/9 and KW no. PL1P/00097363/3 (on the shares held) in Płock; – blank promissory note issued by the Company together with a promissory note declaration; – registered pledge on inventory of not less than PLN 5 000 k together with assignment of rights under the pledge insurance policy, – declaration on submission to enforcement made pursuant to Article 777 of the Code of Civil Procedure, in the form of a notarial deed

– Investment loan at Santander Bank Polska SA

Loan terms and conditions	30 September 2024
Loan contractual value	PLN 4,400 k
Loan period	10.06.2021 – 30.01.2026
Interest rate	WIBOR 1M + the bank's margin that does not differ from the standards applied by the bank
Loan balance	PLN 1,717 k
Repayment schedule	The loan will be repaid in 41 equal monthly instalments, in amount of PLN 107 k each

Loan collateral	– de minimis guarantee in the amount of 80% of the Loan amount; – declaration on submission to enforcement made pursuant to Article 777 of the Code of Civil Procedure, in the form of a notarial deed – blank promissory note issued by the Company together with a promissory note declaration; as a surety of de minimis guarantee.

– Investment loan at Santander Bank Polska SA

Loan terms and conditions	30 September 2024
Loan contractual value	PLN 12,000 k
Loan period	07.12.2021 – 31.03.2029
Interest rate	WIBOR 1M + the bank's margin that does not differ from the standards applied by the bank
Loan balance	PLN 7,728 k
Repayment schedule	The loan will be repaid in 82 monthly installments in the following amounts: 81 installments of PLN 144 k each and the last 82 equalizing installments in the amount of PLN 96 k each.
Loan collateral	– – a contractual joint mortgage up to the amount of PLN 18,000 k on the Koprele real estates: KW No. OL1S/00032815/5, KW No. OL1S/00039349/6, KW No. OL1S/00044965/8 together with the assignment of rights under the real estate insurance policy; – the Company's declaration of submission to enforcement pursuant to art. 777 of the Code of Civil Procedure in the form of a notarial deed.

– Overdraft in BNP Paribas Bank Polska SA

Loan terms and conditions	30 September 2024
Loan contractual value	PLN 7,000 k
Loan period	01.01.2025 - 31.11.2023
Interest rate	WIBOR 1M + the bank's margin that does not differ from the standards applied by the bank
Loan balance	PLN 0 k
Repayment schedule	once on the liability maturity date
Loan collateral	– contractual mortgage up to the amount of PLN 10,500 thousand on real estate in Częstochowa marked with KW no. CZ1C/00111425/8 together with assignment of rights from the real estate insurance policy, – blank promissory note issued by the Company together with a promissory note declaration; – declaration on submission to enforcement made pursuant to Article 777 of the Code of Civil Procedure, in the form of a notarial deed

- Factoring agreement (full) in Santander Factoring Sp. z o.o.

Terms of the agreement	30 September 2024
Contractual value	PLN 7,500 k
Duration	Agreement concluded for an indefinite period
Interest rate	WIBOR 1M + the bank's margin that does not differ from the standards applied by the bank
Factoring balance	PLN 0 k

Contract collateral	– irrevocable power of attorney to the account, – blank promissory note with a promissory note declaration

The status of loan agreements in effect as at 30 September 2024, for which Stoczek Natura Sp. z o.o. was a party to the agreements, is presented in the tables below:

– Multi-option credit line with BNP Paribas Bank Polska SA with a separate sub-limit for an overdraft facility

Credit terms and conditions	30 September 2024
Loan contractual value	PLN 4,000 k
Loan period	26.10.2023 - 26.10.2025
Interest rate	WIBOR 1M + the bank's margin that does not differ from the standards applied by the bank
Loan balance	PLN 0 k
Repayment schedule	once on the liability maturity date
Loan collateral	– contractual mortgage of up to PLN 10,800 thousand on the property marked with KW No. LU1U/00022979/2 together with assignment of rights under the property insurance policy, – blank promissory note issued by the Company together with a promissory note declaration; – declaration on submission to enforcement made pursuant to Article 777 of the Code of Civil Procedure, in the form of a notarial deed

INFORMATION ON LOANS GRANTED

During Q3 2024, Makarony Polskie S.A. did not grant any loans to its subsidiaries and the subsidiaries did not grant any loans to each other.

Sureties and guarantees

Information on granted and received guaranties

During Q3 2024, the guarantees received were used by the companies Makarony Polskie SA and Stoczek Natura Sp. z o.o.

A summary of the guarantees in force at Makarony Polskie SA as at 30 September 2024 is shown in the table below:

Guarantor	Guarantee amount in PLN k	Expiry date of the guarantee	Subject of the guarantee	Collateral
Santander Bank Polska SA	457	until 31.03.2027	guarantee securing the Company's Company's contractual obligations arising from	– joint mortgage of up to PLN 686 thousand on the Company's real estate in Rzeszów (KW no. RZ1Z/00076860/5) and in Płock (KW no. PL1P/00094893/6, KW no.

			of the concluded institutional contract	PL1P/00097530/5, KW no. PL1P/00114158/9, KW no. PL1P/00097363/3) together with assignment of rights under the real estate insurance policy; – blank promissory note with promissory note declaration; – the company's declaration of submission to enforcement pursuant to art. 777 k.p.c. in the form of a notarial deed
Santander Bank Polska SA	312	do 20.03.2028	guarantee securing the Company's contractual obligations under the institutional contract concluded	– the company's declaration of submission to enforcement pursuant to art. 777 k.p.c. in the form of a notarial deed
Santander Bank Polska SA	396	until 31.12.2024	guarantee securing the tender bond for an institutional contract	– blank promissory note with promissory note declaration;

During Q3 2024, Makarony Polskie concluded a bid bond with Santander Bank Polska S.A. to secure the bid bond in the institutional contract tender. A summary of the guarantees in force at Stoczek Natura Sp. z o.o. as at

30 September 2024 is shown in the table below:

Guarantor	Guarantee amount in PLN k	Expiry date of the guarantee	Subject of the guarantee	Collateral
BNP Paribas Bank Polska SA	559	until 31.03.2026	guarantee securing the Company's contractual obligations under the concluded institutional contract	– contractual mortgage up to the amount of PLN 10 800 000 on the real estate designated in Land and Mortgage Register No. LU1U/00022979/2 in Stoczek Łukowski together with an assignment of the real estate insurance policy, – blank bill of exchange issued by the company, together with a bill of exchange declaration, – a declaration of submission to enforcement pursuant to art. 777 k.p.c. in the form of a notarial deed made by the company
BNP Paribas Bank Polska SA	604	until 29.02.2028	guarantee securing the Company's contractual obligations under the institutional contract concluded	
BNP Paribas Bank Polska SA	1,222	until 31.08.2027	guarantee securing the Company's contractual obligations under the concluded institutional contract	

During Q3 2024, Stoczek Natura Sp.z.o.o. benefited from a guarantee in the amount of PLN 2,235 k. PLN 2,235 k securing the company's contractual obligations under a concluded institutional contract granted by BNP Paribas Bank Polska SA, which expired in the reporting period in connection with the release of the guarantee and the return of the original guarantee documents.

During Q3 2024, Stoczek Natura Sp.z.o.o. benefited from a guarantee in the amount of PLN 1,222 k. PLN 1,222 k, securing the company's contractual obligations under the institutional contract awarded by BNP Paribas Bank Polska SA during the reporting period.

INFORMATION ON GRANTED AND RECEIVED SURETIES

During Q3 2024, Makarony Polskie SA, subsidiary Stoczek Natura Sp. z o.o., subsidiary MP Trade Sp. z o.o. did not provide guarantees and did not make use of guarantees.

Off-balance sheet items

Change in contingent liabilities or contingent assets that has occurred since the end of the last financial year:

(in PLN k)*	30 September 2024	31 December 2023
1. Contingent assets	**3,772**	**3,942**
- received guarantees and sureties	3,550	3,720
- collaterals on assets	0	0
- promissory notes	222	222
2. Contingent liabilities	**61,655**	**96,073**
- for provided guarantees and warranties	0	0
- collaterals on property	52,486	79,482
- promissory note obligations	9,169	16,591
Total off-balance items	**-57,883**	**-92,131**

The values of guarantees received, collaterals, promissory notes, mortgages and other off-balance sheet liabilities in the table above have been presented at maximum values.

Additional notes

Material proceedings pending before a court or an authority competent for arbitration or a public administration authority

In the reporting period presented before, no proceedings regarding material liabilities and debts of the Company or a subsidiary were pending before a court, competent arbitration authority or public administration body.

Other material events and transactions

There were no significant events in Q3 2024 other than those described above or transactions requiring disclosure in these Group financial statements.

Material events and transactions after the balance sheet date that may affect the Group's future financial results.

After the balance sheet date, there were no material events other than the ones described above that could significantly affect the financial results of the Group.

Makarony Polskie
- SPÓŁKA AKCYJNA -

CONDENSED SEPARATE FINANCIAL STATEMENTS

for the period from 01 January to 30 September 2024

Makarony Polskie SA
19 November 2024

Selected financial data Makarony Polskie SA

Selected financial data in EURO were presented in accordance with the Regulation of the Minister of Finance of March 29, 2018 on current and periodic information provided by issuers of securities and the conditions for recognizing as equivalent information required by the laws of a non-member state (Journal of U. of 2018, item 757).

- items of the statement of financial position have been converted at the average exchange rate announced by the National Bank of Poland as at the balance sheet date 30 September 2024, EUR 1= PLN 4.2791; 31 December 2023, EUR 1= PLN 4.3480
- items of the statement of comprehensive income and statement of cash flows have been converted at the exchange rate being the arithmetic average of the average rates set by the National Bank of Poland effective on the last day of each month of Q1,Q2,Q3 of 2024 = PLN 4.3022 and at the end of each month of Q1, Q2, Q3 of 2023 = PLN 4,5773.

Selected financial data	30.09. 2024 (in PLN k)	30.09. 2023 (in PLN k)	30.09. 2024 in EUR k)	30.09. 2023 (in in EUR k)
Net income from sales of products, services, goods and materials	216,668	220,488	50,362	48,170
Profit (loss) from continued operations	24,942	23,361	5,797	5,104
Gross profit (loss)	24,870	22,286	5,781	4,869
Net profit (loss) from continued operations	19,912	17,888	4,628	3,908
EBIT	24,942	23,361	5,797	5,104
EBITDA (EBIT + depreciation)	34,481	30,974	8,015	6,767
Net cash flows from operating activities	30,855	33,599	7,172	7,340
Net cash flows from investment activity	- 4,413	- 4,478	- 1,026	- 978
Net cash flows from financial activities	- 13,305	- 15,097	- 3,093	- 3,298
Total net cash flows	13,137	14,024	3,054	3,064
Total assets ***	229,640	220,926	53,665	50,811
Liabilities and provisions for liabilities ***	76,086	78,888	17,781	18,143
Long-term liabilities ***	27,036	31,685	6,318	7,287
Short-term liabilities ***	49,050	47,203	11,463	10,856
Equity ***	153,554	142,038	35,885	32,667
Share capital ***	33,120	33,120	7,740	7,617
Number of shares (units)	11,040,071	11,040,071	11,040,071	11,040,071
Weighted average number of shares (in units) during the financial year ***	11,040,071	11,040,071	11,040,071	11,040,071
Profit/loss per ordinary share (in PLN/EUR) *	1.80	1.62	0.42	0.35
Book value per one share (in PLN/EUR) **	13.91	12.87	3.25	2.96

* Net profit/loss per ordinary share = net result/weighted average number of shares in the period
** Book value per one ordinary share = equity/number of shares at a given balance sheet date
*** Comparable data regarding the statement of financial position as at 31 December 2023 Condensed statement on total revenues of Makarony Polskie SA

Condensed statement of comprehensive revenue of Makarony Polskie S.A.

Makarony Polskie SA	01/07/2024 30/09/2024	01/01/2024 30/09/2024	01/07/2023 30/09/2023	01.01.2023- 30/09/2023
Revenues from sales	**71,044**	**216,668**	**81,936**	**220,488**
Revenues from sales of other products and services	57,504	176,461	66,511	175,417
Net revenues from sales of materials and goods	13,540	40,207	15,425	45,071
Own cost	**53,350**	**158,792**	**58,407**	**166,584**
Production costs of products and services sold	40,663	121,085	44,488	125,634
Value of goods and materials sold	12,687	37,707	13,919	40,950
Gross profit (loss) on sales	**17,694**	**57,876**	**23,529**	**53,904**
Costs of sales	8,522	26,416	8,206	22,720
General administrative costs	1,968	6,624	2,073	6,445
Other revenues	627	2,057	595	1,736
Other costs	188	1,951	752	3,114
Profit (loss) from continued operations	**7,643**	**24,942**	**13,093**	**23,361**
Financial incomes	378	967	2	261
Financial costs	328	1,039	331	1,336
Gross profit (loss)	**7,693**	**24,870**	**12,764**	**22,286**
Income tax	1,538	4,958	2,549	4,398
Profit (loss) from continued operations, in this attributable to:	**6,155**	**19,912**	**10,215**	**17,888**
Shareholders of the parent Company	**6,155**	19,912	10,215	17,888
Basic net result per share in PLN	0.56	1.80	0.93	1.62
Diluted net result per share in PLN	0.56	1.80	0.93	1.62
Other total net income/loss	0	0	0	0
Total net comprehensive income, of which attributable to:	**6,155**	**19,912**	**10,215**	**17,888**
Shareholders of the parent Company	**6,155**	19,912	10,215	17,888
Non-controlling shares				

Condensed statements of the financial position of Makarony Polskie SA

ASSETS	30 September 2024	31 December 2023	30 September 2023
FIXED ASSETS	**129,341**	**131,547**	**132,530**
Fixed tangible assets	91,328	93,153	93,395
Fixed assets - IFRS-16	6,020	6,491	3,065
Investment real estate 603	0	0	603
Other intangible assets	1,908	1,817	5,380
Company goodwill value		0	
Non-current financial assets of which	30,080	30,080	30,080
Shares	30,080	30,080	30,080
Borrowings granted	0	0	0
Assets for deferred income tax	0	0	0
Other long-term assets	5	6	7
CURRENT ASSETS	**100,299**	**89,379**	**85,994**
Inventories	21,547	20,159	23,137
Short-term receivables	37,116	40,683	45,925
Corporate income tax receivables	0	0	0
Borrowings granted	0	0	2,012
Cash and cash equivalents	41,289	28,160	14,486
Other short-term assets	347	377	434
ASSETS FOR SALE	**0**	**0**	**0**
TOTAL ASSETS	**229,640**	**220,926**	**218,524**

LIABILITIES	30 September 2024	31 December 2023	30 September 2023
EQUITY	**153,554**	**142,038**	**135,127**
Revaluation capital	33,120	33,120	33,120
Supplementary capital	75,638	52,306	52,306
Equity shares	-116	0	0
Reserve capital	25,000	12,000	12,000
Retained profits/losses (profit/loss from previous years)	19,912	44,612	37,701
LONG-TERM LIABILITIES	**27,036**	**31,685**	**29,840**
Provision due to deferred income tax	2,993	3,889	3,715
Long-term bank loans and borrowings	6,429	8,691	9,445
Other long-term financial liabilities	0	0	0
Provision for pensions and similar (long-term)	938	999	872
Revenues of future periods - long-term	10,541	12,190	12,733
Long-term financial liabilities - leasing	6,135	5,916	3,075
SHORT-TERM LIABILITIES	**49,050**	**47,203**	**53,557**
Short-term bank loans and borrowings	3,022	3,019	4,929
Other short-term financial liabilities	0	0	0
Short-term financial liabilities - leasing	2,231	1,508	984
Financial liabilities due to dividends	0	0	0

Other short-term liabilities	32,689	30,631	35,840
Corporate income tax liabilities 0	3,732	6,870	4,977
Revenues of future periods - short-term	2,198	2,278	2,212
Provision for retirement and similar benefits (short-term)	2,665	2,245	2,603
Other short-term provisions	2,513	652	2,012
TOTAL LIABILITIES	**76,086**	**78,888**	**83,397**
TOTAL LIABILITIES	**229,640**	**220,926**	**218,524**

Condensed statement of cash flows in Makarony Polskie SA

Makarony Polskie SA	01/01/2024 30/09/2024	01.01.2023- 30/09/2023
Profit/loss before tax	**24,870**	**22,286**
Adjustments by items:		
Depreciation	9,539	7,613
Profits/losses on exchange differences	8	- 1
Interest expense and income	- 8	937
Profit/loss from investing activities	- 262	- 5
Change in provisions	2,219	3,584
Change in inventories	-1,388	6,672
Change in receivables	4,497	- 16,698
Change in liabilities and other assets and liabilities	371	- 9,881
Other adjustments	0	20,916
Total adjustments	**14,976**	**13,137**
Dividend revenues	0	0
Corporate income tax paid/reimbursed	-8,991	-1,824
Cash flows from net operating activities	**30,855**	**33,599**
Cash flows from investment activities		
Proceeds from the sale of fixed assets and intangible assets	268	11
Proceeds from sales of financial assets	0	0
Expenses for the acquisition of fixed tangible assets and intangible assets	- 5,585	- 4,726
Expenses for the acquisition of subsidiaries	0	0
Interest income	904	237
Expenses for the purchase of financial assets	0	0
Proceeds from borrowings granted 0	0	0
Borrowings granted	0	0
Net cash flows from operational activity	**- 4,413**	**- 4,478**
Cash flows from financial activities		
Proceeds from loans and borrowings	3	24
Proceeds from dividends	0	0
Purchase of equity shares	- 116	0
Repayment of loans and borrowings	- 2,262	- 6,097
Payment of liabilities under financial lease agreements	- 1,754	- 999
Interest paid	- 896	- 1,186
Payment of other financial liabilities	0	- 215
Dividend paid to shareholders	- 8,280	- 6,624
Net cash flows from financial activities	**- 13,305**	**- 15,097**
Increase/decrease in cash and cash equivalents	13,137	14,024
Cash, cash equivalents and overdrafts at the beginning of the period	**28,160**	**461**
Exchange gains/losses on valuation of cash, cash equivalents and overdrafts	- 8	1
Cash, cash equivalents and overdrafts at the end of the period, including	**41,289**	**14,486**
with restricted availability	0	0

Condensed statement of changes in equity capital of Makarony Polskie SA

For the period from 01 January 2024 to 30 September 2024

	Core capital	Supplementary capital	Equity shares	Reserve capital	Retained profit/loss	In total
As at 01 January 2024	**33,120**	**52,306**	**0**	**12,000**	**44,612**	**142,038**
Distribution of profit/loss coverage	0	36,332	0	0	- 36,332	0
Profit distribution - dividend	0	0	0	0	- 8,280	- 8,280
Decrease in the period	0	-25,000	0	-12,000	0	- 37,000
Increase in the period	0	12,000	0	25,000	0	37,000
Purchase of equity shares	0	0	-116	0	0	- 116
Other comprehensive income	0	0	0	0	0	0
Net result after Q3 of 2024	0	0	0	0	19,912	19,912
As at 30 September 2024	**33,120**	**75,638**	**-116**	**25,000**	**19,912**	**153,554**

For the period from 01 January 2023 to 31 December 2023

	Capital capital	Capital supplementary	Capital reserve	Retained profit/loss	In total
As at 01 January 2023	**33,120**	**48,468**	**12,000**	**10,462**	**104,050**
Distribution of profit/loss coverage	0	3,838	0	- 3,838	0
Profit distribution - dividend	0	0	0	- 6,624	- 6,624
Settlement of merger transactions	0	0	0	19,814	19,814
Other comprehensive income	0	0	0	0	0
Net result in 2023	0	0	0	24,798	24,798
As at 31 December 2023	**33,120**	**52,306**	**12,000**	**44,612**	**142,038**

For the period from 01 January 2023 to 30 September 2023

	Capital capital	Capital supplementary	Capital reserve	Retained profit/loss	In total
As at 01 January 2023	**33,120**	**48,468**	**12,000**	**10,462**	**104,050**
Distribution of profit/loss coverage	0	3,838	0	-3,838	0
Profit distribution - dividend	0	0	0	- 6,624	- 6,624
Other comprehensive income	0	0	0	0	0
Settlement of merger transactions	0	0	0	19,813	19,813
Net result after Q3 of 2023	0	0	0	17,888	17,888
As at 30 September 2023	**33,120**	**52,306**	**12,000**	**37,701**	**135,127**

Additional notes

Revenues from sale of products, services, goods and materials by business segments

For management purposes, the Company is divided into business units based on the products and services offered.

	01/07/2024 30/09/2024	**01/01/2024** 30/09/2024	**01/07/2023 30/09/2023**	**01/01/2023** 30/09/2023
Revenues from sales of products	56,725	174,157	65,994	173,506
Revenues from the sale of services, including:	779	2,304	517	1,911
- service production	273	786	155	776
- for lease, storage	317	924	298	859
- for marketing and distribution services	167	524	53	186
- other	22	70	11	90
Revenues from sale of materials	19	54	114	2,251
Revenues from sale of goods	13,521	40,153	15,310	42,820
Total	**71,044**	**216,668**	**81,936**	**220,488**

Operating segments

In Q3 of 2024, the Makarony Polskie Company carried out sales according to the following product groups, achieving the following revenues on this account:

	01/07/2024 30/09/2024	**01/01/2024** 30/09/2024	**01/07/2023 30/09/2023**	**01.01.2023-** 30/09/2023
Pasta	57,860	178,175	67,219	177,863
Meat and vegetable preserves	11,220	32,290	12,484	33,247
Vegetable and fruit preserves	1,422	4,577	1,794	5,992
Total	542	1,626	439	3,386
Total	**71,044**	**216,668**	**81,936**	**220,488**

The Company has applied IFRS 8 "Operating Segments". In accordance with the requirements of IFRS 8, operating segments should be identified based on internal reports on these elements, which are regularly verified by persons deciding on the allocation of resources to a given segment and assessing its financial results. In terms of assets and liabilities, the main bodies responsible for making operational decisions do not analyze data cross-sectioned into operating segments.

Other operating income and expenses

OTHER REVENUES

For the period	01/07/2024 30/09/2024	01/01/2024 30/09/2024	01/07/2023 30/09/2023	01.01.2023- 30/09/2023
State subsidies	550	1,653	552	1,659
Profit on sale of tangible fixed assets	40	262	0	5
Reversal of impairment losses on receivables	0	0	0	0
Surplus inventories	0	46	0	0
Sale of scrap and waste	22	28	14	20
Compensation and complaints	12	60	7	26
Reimbursement of insurance contributions	0	1	2	2
Reimbursement of court and bailiff fees	0	1	0	0
Total	3	6	20	24
Total	**627**	**2,057**	**595**	**1,736**

Other revenues include revenues and profits not directly related to the Company's operating activities. This category includes received subsidies, profits from the sale of tangible fixed assets, received compensations related to the reimbursement of court costs, overpaid tax liabilities, except for corporate income tax, and received compensations for losses in the companies' property covered by insurance.

Other revenues also include the reversal of write-downs on receivables and inventories as well as the reversal of impairment losses on assets.

OTHER COSTS

For the period	01/07/2024 30/09/2024	01/01/2024 30/09/2024	01/07/2023 30/09/2023	01.01.2023- 30/09/2023
Creation of provisions	0	0	0	0
Write-down of receivables	0	0	0	0
Write-downs of inventories	0	267	0	1,093
Donations	11	32	3	11
Contractual penalties	7	48	8	12
R&D costs	113	1,303	501	1,512
Litigation costs	0	5	0	0
Sponsoring	23	165	12	83
Disposal of damaged and out-of-date stocks	34	127	228	389
Total	0	4	0	14
Total	**188**	**1,951**	**752**	**3,114**

Other costs include costs and losses not directly related to the Company's operating activities. This category includes losses on the sale of tangible fixed assets, donations made in kind and in cash to other entities, including public benefit entities, and the effects resulting from concluded commercial agreements, guarantees and sureties granted to other entities.

Other costs also include the costs of write-downs on the value of assets, not culpable shortages in current assets and losses due to the liquidation of damaged and overdue inventories.

Other financial income and expenses

FINANCIAL INCOMES

For the period	01/07/2024 30/09/2024	01/01/2024- 30/09/2024	01/07/2023 30/09/2023	01/01/2023- 30/09/2023
Interest income, including:	341	906	112	241
- interest on loans	341	904	35	105
- interest on bank deposits	0	0	77	132
- interest on other receivables	0	2	0	4
Profits on exchange rate differences	37	61	- 110	20
Profit on disposal of investments - shares	0	0	0	0
Total	0	0	0	0
Total	**378**	**967**	**2**	**261**

Financial revenues include revenues from received dividends, obtained and accrued interest on late payment of receivables, interest on investment activities in various forms of financial instruments. Financial activities also include foreign exchange profits.

FINANCIAL COSTS

For the period	01/07/2024 30/09/2024	01/01/2024- 30/09/2024	01/07/2023 30/09/2023	01/01/2023- 30/09/2023
Interest costs, including those relating to:	276	899	282	1,191
- bank loans	154	491	242	898
- factoring and leasing costs	48	132	18	186
- costs on liabilities	1	3	5	5
- IFRS-16 interest costs	73	273	17	102
- other	0	0	0	0
Other financial costs, including:	52	140	48	144
- loss due to negative exchange rate differences	0	0	0	0

- commissions, guarantee	52	140	48	145
- discount costs 0	0	0	0	0
- other financial costs	0	0	0	0
Total	**328**	**1,039**	**330**	**1,336**

Financial costs include costs due to the use of external financing sources, i.e.: loans, borrowings, trade liabilities, financial lease agreements to which the Company is a party and other financial costs. Financial activities also include foreign exchange losses.

Other significant events and transactions impacting the company's revenue and separate result after Q3 2024

In Q3 2024, there were no significant events or transactions, other than those described, affecting the revenue and standalone

result of Makarony Polskie SA.

Other material events and transactions

In Q3 2024, there were no material events or transactions, other than those described, that required disclosure in these financial statements, affecting the separate financial statements of Makarony Polskie SA.

Material events and transactions after the balance sheet date that may affect the Company's future liabilities and financial results.

There were no other significant events after the balance sheet date that could significantly affect the Company's financial results.

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Grażyna Kozielec
Chief Accountant

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Zenon Daniłowski
President of the Management Board

Rzeszów, 19 November 2024