

COLMEC sp. z o.o.

Financial statement for the period
between **01/01/2023** and **31/12/2023**

INTRODUCTION TO THE FINANCIAL STATEMENT

1. Entity data

Name: COLMEC sp. z o.o.

Registere RUDNO PRZEMYSŁOWA 5/, 83-121 PELPLIN

PKD (*Polska Klasyfikacja Działalności* [Polish Classification of Activity]) **codes defining the entity's core business activity:**

4531Z

Tax ID Number:

TIN: 5930100974

Relevant court register number:

KRS (*Krajowy Rejestr Sądowy* [National Court Register No.]): 0000161481

2. Indication of the duration of the entity's operations, if limited

Not applicable

3. Period covered by the financial statement

Financial statement for the period between 01/01/2023 and 31/12/2023

4. Indication whether the financial statement contains aggregate data

The financial statement does not contain aggregate data.

5. Assumption of continued business activity

The financial statement has been prepared on the assumption that the entity will continue its business activity.

No circumstances were identified that would indicate a threat to the continued activity.

6. Information about the merger of companies

Not applicable.

7. Accounting policy

Discussion of the adopted methods of valuation of assets and liabilities (including depreciation):

1. Information about the Company

a) Colmec Spółka z o.o. was established on 26 August 1991. The company's registered seat is located in Rudno at ul. Przemysłowa 5, 83-121 Rudno, gmina Pelplin.

In 2023, the Company had a branch in Zabrze, at the following address: ul. Handlowa 3, Panattoni Park Zabrze I hala B, 41-807 Zabrze.

b) The company is entered in the National Court Register under KRS number: 0000161481. The entry was made by the District Court for Gdańsk-Północ in Gdańsk, 7th Commercial Division of the National Court Register on 13 May 2003 (previously: between 26 August 1991 and 13 May 2003: RHB-6346)

c) The subject of the activity is:

- regeneration and repair of car tires,
- trade, including export and import, in car tires and materials necessary for running activities by the company,
- real estate services,
- rental of machinery and equipment without operator support

d) According to the agreement, the duration of the Company's operations is indefinite.

e) During the financial period, the Company's Board of Directors consisted of a single person:

- Goran Patrick Sjölin – DIRECTOR

f) the company has the following certificates:

- ISO 9001:2008 quality assurance system certificate
- ISO 14001:2004 environmental management system certificate
- approval for retreading tires

Major accounting principles

a) Tangible fixed assets, intangible assets and legal assets

Fixed assets and intangible assets are valued at acquisition price or production cost or revalued value (after revaluation of fixed assets), less depreciation or amortization charges and impairment losses.

The purchase price and cost of production of fixed assets under construction, fixed assets and intangible assets also includes the cost of servicing liabilities incurred to finance them for the period of construction, assembly and adaptation.

The purchase price or cost of production of a fixed asset is increased by the costs of its improvement. The company has fixed assets accepted for use under a leasing agreement. However, it does not use this form in relation to intangible assets.

Fixed assets under construction are valued at all costs directly related to their acquisition or production, less write-offs for permanent impairment. In the event of changes in production technology, intended liquidation, withdrawal from use or other reasons resulting in permanent loss of value of a fixed asset or an intangible asset, a write-down is made to the debit of other operating costs. Revaluation write-offs relating to fixed assets, the valuation of which has been updated pursuant to separate provisions, reduce the differences resulting from the revaluation recognized in the revaluation capital; any excess of the write-off over the revaluation differences is included in other operating costs.

If the reason for which a write-down was made due to permanent impairment of fixed assets and intangible assets ceases to exist, the equivalent of all or the relevant part of the previously made write-down increases the value of the given asset and is included in other operating income, as appropriate.

Depreciation is carried out using the straight-line method. When determining the depreciation period and the annual depreciation rate, the economic useful life of the fixed asset and intangible assets is taken into account. In the case of used fixed assets purchased, individual depreciation rates apply. The correctness of the adopted depreciation periods and rates is subject to periodic verification.

The company applies the following annual depreciation rates for basic groups of fixed assets:

- buildings and civil engineering facilities: 2.5%-10%;
- technical equipment and machines: 10%-30%;
- means of transport: 14%-20%;
- other fixed assets: 10%-20%.

The annual amortization rates for intangible assets are as follows:

- copyrights, related rights (computer software): 50%.

Fixed assets under construction and land are not depreciated.

b) Investments

The company does not have any long-term investments.

c) Receivables

Receivables are valued at the amount due, in accordance with the principle of prudence, and are shown at net value (after deducting write-downs).

The value of receivables is subject to revaluation, taking into account the degree of probability of their

payment by making an impairment write-down.

d) Inventories

Inventories are valued at actual purchase prices and, in the case of own products, at production costs for a given financial year.

Work in progress is valued at production cost, taking into account the stage of advancement of the production process.

The expenditure of materials and commercial goods is made using the FIFO method.

e) Monetary assets

Monetary assets include assets in the form of domestic and foreign means of payment, held in cash and in bank accounts.

f) Prepaid expenses

Prepaid expenses are made in relation to incurred costs relating to future reporting periods.

Write-offs of prepaid expenses are made in proportion to the passage of time. The time and method of settlement are justified by the nature of the costs being settled, in accordance with the principle of prudent valuation.

g) Equity

The company's share capital is stated in the amount specified in the agreement and entered in the National Court Register.

In 2023, the share capital did not change compared to the previous year, and amounts to PLN 689,000.

There were no declared but unpaid capital contributions.

h) Provisions for liabilities

Provisions for liabilities are valued at a reasonable, reliably estimated value.

Provisions may be created for certain or highly probable future liabilities, the amount of which can be reliably estimated.

i) Obligations

Liabilities are stated at the amount due.

j) Accruals

Accruals are made in the amount of probable liabilities arising in the current reporting period, resulting in particular from services provided to the entity by the entity's contractors, when the amount of the liability can be reliably estimated.

Accruals are written off in proportion to the amount of the benefit relating to the period in question. The time and method of settlement are justified by the nature of the costs being settled, in accordance with the principle of prudence.

k) Deferred income

Deferred income is accounted for in accordance with the principle of prudent valuation and may include, in particular:

- the equivalent of funds received or receivable from contractors for services to be performed in subsequent reporting periods;
- the value of fixed assets under construction, fixed assets and intangible assets received free of charge, including as a donation. The amounts included in deferred income gradually increase other operating income, in parallel with depreciation or amortization write-offs on fixed assets or intangible assets.

l) Services with a performance period longer than 6 months
None.

m) Deferred income tax

Due to temporary differences between the value of assets and liabilities shown in the accounting records and their tax value, as well as the tax loss that can be deducted in the future, a provision is created and deferred income tax assets are determined.

Deferred income tax assets are established at the amount expected to be deducted from income tax in the future, in connection with negative temporary differences that will cause a future reduction of the income tax base and the deductible tax loss, which is determined taking into account the principle of prudence. A deferred income tax provision is created in the amount of income tax that will be payable in the future due to positive temporary differences, i.e., differences that will increase the income tax base in the future. The amount of deferred income tax provisions and assets is determined taking into account the income tax rates applicable in the year in which the tax liability arises.

In terms of the principles of balance sheet valuation of assets and liabilities expressed in foreign currencies, a uniform conversion rate was adopted for valuation, i.e., the average exchange rate included in the exchange rate table published by the National Bank of Poland and applicable on the balance sheet date, 31 December of each year.

Accounting principles

In 2023, Colmec Sp. z o. o. generally did not change its accounting policies.

Financial result determinations:

The Company prepares a profit and loss account (comparative variant) in accordance with Annex No. 1 to the Accounting Act of 29 September 1994.

The profit and loss account separately shows revenues, costs, gains and losses and mandatory charges to the financial result for the current and previous financial years.

Revenue recognition

Sales revenue is recognized when the goods are delivered or the services are performed. Sales are reported net, i.e., excluding value added tax.

Preparation of financial statements:

Financial statement

a) The financial statements have been prepared pursuant to the Accounting Act of 29 September 1994 (Journal of Laws of 2021, item 217), according to the historical cost principle, except for fixed assets that were subject to official revaluation in the past according to the principles specified in separate regulations.

b) The financial statements have been prepared with the assumption that the business will continue in the foreseeable future and that there are no circumstances that would indicate a threat to the continued business activity. In the current financial year. We see no threat to continuing our operations in the near future.

c) The report discloses all events that occurred after the balance sheet date and could affect the correctness and reliability of our financial statements and the assessment of our financial and economic situation.

Other accounting principles adopted by the entity:

8. Additional detailed information

Not applicable.

BALANCE

Asset data in PLN

Amount as of the
end of the current
financial year

Amount as of the
end of the previous
financial year

A. FIXED ASSETS

20,503,906.43

19,813,190.40

I. Intangible assets

17,979.05

23,531.27

1. Costs of completed development work
2. Company value
3. I. Other intangible assets
4. I. Advances on intangible assets

17,979.05

23,531.27

II. Material fixed assets

19,682,367.38

19,083,450.13

1. Fixed assets
 - a) land (including the right of perpetual usufruct of land)
 - b) buildings, premises, rights to premises and civil engineering structures
 - c) technical equipment and machines
 - d) means of transport
 - e) other fixed assets
2. Fixed assets under construction
3. Advances for fixed assets under construction

19,645,674.38

18,703,433.56

292,721.49

292,721.49

9,707,552.83

10,144,684.36

5,087,962.20

5,130,965.19

4,287,228.42

3,118,329.82

270,209.44

16,732.70

36,693.00

380,016.57

III. Long-term receivables

1. From related entities
2. From other entities in which the entity has capital involvement
3. From other entities

IV. Long-term investments

1. Real estate
2. Intangible assets
3. Long-term financial assets
 - a. in related entities
 - shares or stocks
 - other securities
 - loans granted
 - other long-term financial assets
 - b. in other entities in which the entity has capital involvement
 - shares or stocks
 - other securities
 - loans granted

- other long-term financial assets		
c. in other entities		
- shares or stocks		
- other securities		
- loans granted		
- other long-term financial assets		
4. Other long-term investments		
V. Long-term accruals	803,560.00	706,209.00
1. Deferred income tax assets	803,560.00	706,209.00
2. Other accruals		
B. CURRENT ASSETS	96,944,525.71	97,847,716.22
I. Supplies	46,669,065.97	50,518,324.40
1. Materials	6,904,409.95	7,022,028.41
2. Semi-finished products and work in progress	510,229.27	472,978.41
3. Finished products	6,355,228.53	3,475,292.15
4. Goods	32,874,466.93	39,460,374.77
5. Advance payments for supplies and services	24,731.29	87,650.66
II. Short-term receivables	38,022,077.07	45,991,042.19
1. Receivables from related entities	3,630,218.42	4,701,162.47
a) for deliveries and services, with a repayment period of:	3,630,218.42	4,701,162.47
- up to 12 months	3,630,218.42	4,701,162.47
- over 12 months		
b) other		
2. Receivables from other entities in which the entity has capital involvement		
a) for deliveries and services, with a repayment period of:		
- up to 12 months		
- over 12 months		
b) other		
3. Receivables from other entities	34,391,858.65	41,289,879.72
a) for deliveries and services, with a repayment period of:	33,639,187.29	40,935,651.98
- up to 12 months	33,639,187.29	40,935,651.98
- over 12 months		
b) from taxes, subsidies, customs duties, social and health insurance and other public law titles	522,126.87	187,978.00
c) other	230,544.49	166,249.74
d) pursued in court		
III. Short-term investments	11,888,852.66	958,382.61

1. Short-term financial assets	11,888,852.66	958,382.61
a) in related entities		
- shares or stocks		
- other securities		
- loans granted		
- other short-term financial assets		
b) in other entities		
- shares or stocks		
- other securities		
- loans granted		
- other short-term financial assets		
c) Cash and cash equivalents	11,888,852.66	958,382.61
- cash in hand and in accounts	11,888,852.66	958,382.61
- other cash		
- other monetary assets		
2. Other short-term investments		
IV. Short-term accruals	364,530.01	379,967.02
C. CONTRIBUTIONS DUE TO THE SHARE CAPITAL (FUND)		
D. OWN SHARES (STOCKS)		
TOTAL ASSETS	117,448,432.14	117,660,906.62

BALANCE

Liabilities data in PLN

	Amount as of the end of the current financial year	Amount as of the end of the previous financial year
A. OWN CAPITAL (FUND)	55,661,942.72	52,940,275.98
I. Share capital (fund)	689,000.00	689,000.00
II. Reserve capital (fund), including:	5,735,725.12	5,735,725.12
- the excess of the sales value (issue value) over the nominal value of shares (stocks)		
III. Revaluation capital (fund), including:	225,562.32	225,562.32
- due to fair value adjustments		
IV. Other reserve capital (funds)		
- created in acc. with the comp. art. of association (statute)		
- for own shares (stocks)		
V. Profit (loss) from previous years	39,866,404.54	35,584,015.05
VI. Net profit (loss)	9,145,250.74	10,705,973.49
VII. Write-offs from net profit during the financial year (negative value)		
B. LIABILITIES AND PROVISIONS FOR LIABILITIES	61,786,489.42	64,720,630.64
I. Provisions for liabilities	3,937,840.90	3,329,947.52
1. Deferred income tax provision	271,533.00	184,004.00
2. Provision for pension and similar benefits	766,208.00	681,860.00
- long-term	608,392.00	641,770.00
- short-term	157,816.00	40,090.00
3. Other reserves	2,900,099.90	2,464,083.52
- long-term		
- short-term	2,900,099.90	2,464,083.52
II. Long-term liabilities	2,092,236.22	7,285,585.32
1. To related parties		
2. To other entities in which the entity has capital involvement		
3. To other entities	2,092,236.22	7,285,585.32
a) credits and loans		5,060,000.00
b) arising from the issue of debt securities		
c) other financial liabilities	2,092,236.22	2,225,585.32
d) bill of exchange liabilities		
e) other		
III. Short-term liabilities	55,365,452.30	53,583,817.80
1. To related parties	15,818,341.23	9,486,228.79

a) for deliveries and services, with a due date, including:	182,860.23	274,331.79
- up to 12 months	182,860.23	274,331.79
- over 12 months		
b) other	15,635,481.00	9,211,897.00
2. To other entities in which the entity has capital involvement		
a) for deliveries and services, with a due date of:		
- up to 12 months		
- over 12 months		
b) other		
3. To other entities	39,527,392.30	44,087,258.90
a) credits and loans		11 664 331,99
b) arising from the issue of debt securities		
c) other financial liabilities	1,285,606.75	929,046.81
d) for deliveries and services, with a due date of:	33,211,462.01	24,367,036.97
- up to 12 months	33,211,462.01	24,367,036.97
- over 12 months		
e) advance payments received for supplies and services		
f) bill of exchange liabilities	1,367,943.58	1,310,358.98
g) from taxes, customs duties, social and health insurance and other public law titles	3,630,605.79	5,795,385.97
h) for remuneration		
i) other	31,774.17	21,098.18
4. Special funds	19,718.77	10,330.11
IV. Accruals	390,960.00	521,280.00
1. Negative goodwill		
2. Other accruals	390,960.00	521,280.00
- long-term		
- short-term	390,960.00	521,280.00
TOTAL LIABILITIES	117,448,432.14	117,660,906.62

PROFIT AND LOSS ACCOUNT

Comparative variant data in PLN

	Amount for the current financial year	Amount for the previous financial year
A. Net sales revenues and equivalents, including:	223,965,522.68	248,013,438.95
- from related entities	30,002,602.00	31,351,079.19
I. Net revenues from product sales	50,047,967.86	54,967,342.79
II. Change in product status (increase – positive value, decrease – negative value)	2,957,957.16	1,670,116.77
III. The cost of producing products for the entity's own needs		
IV. Net revenues from the sale of goods	170,959,597.66	191,375,979.39
B. Operating expenses	216,995,912.95	235,344,803.91
I. Depreciation	3,286,515.83	2,507,484.50
II. Material and energy consumption	35,304,912.00	35,719,549.95
III. External services	12,359,857.33	11,890,620.47
IV. Taxes and fees, including:	1,342,129.41	1,218,024.21
- excise duty		
V. Salaries	19,809,901.85	17,938,047.52
VI. Social security and other benefits, including:	3,826,795.10	3,502,374.88
- pension	3,321,796.40	3,008,647.63
VII. Other costs by type	4,536,964.34	4,830,076.22
VIII. Value of goods sold	136,528,837.09	157,738,626.16
C. Profit (loss) from sales (AB)	6,969,609.73	12,668,635.04
D. Other operating income	6,262,346.78	6,408,316.68
I. Profit from disposal of non-financial fixed assets	711,748.65	145,992.25
II. Grants		
III. Revaluation of non-financial assets		
IV. Other operating income	5,550,598.13	6,262,324.43
E. Other operating expenses	3,496,300.13	2,834,428.62
I. Loss from disposal of non-financial fixed assets		
II. Revaluation of non-financial assets	122,315.23	16,168.79
III. Other operating costs	3,373,984.90	2,818,259.83
F. Profit (loss) from operating activities (C+D-E)	9,735,656.38	16,242,523.10
G. Financial income	3,148,381.11	92,797.60
I. Dividends and profit sharing, including:		
a) from related entities, including:		
- in which the entity has capital involvement		
b) from other entities, including:		

- in which the entity has capital involvement		
II. Interest, including:	98,844.36	92,149.50
- from related entities		
III. Profit from disposal of financial assets, including:		
- in related entities		
IV. Revaluation of financial assets		
V. Other	3,049,536.75	648.10
H. Financial costs	1,135,476.75	2,891,566.21
I. Interest, including:	883,130.49	1,260,184.17
- for related entities	202,641.00	
II. Loss from disposal of financial assets, including:		
- in related entities		
III. Revaluation of financial assets		
IV. Other	252,346.26	1,631,382.04
I. Gross profit (loss) (F+G-H)	11,748,560.74	13,443,754.49
J. Income tax	2,603,310.00	2,737,781.00
K. Other mandatory profit reductions (loss increases)		
L. Net profit (loss) (I-J-K)	9,145,250.74	10,705,973.49

STATEMENT OF CHANGES IN EQUITY

Data in PLN

	Amount as of the end of the current financial year	Amount as of the end of the previous financial year
I. Equity (fund) at period beginning (BO)		
I. Equity (fund) at period beginning (BO)	52,940,275.98	51,446,199.49
- changes in the adopted accounting principles (policy)		
- error corrections		
I.a. Equity (fund) at period beginning (BO), after corrections	52,940,275.98	51,446,199.49
1. Share capital	689,000.00	689,000.00
1. Share capital (fund) at period beginning	689,000.00	689,000.00
1.1. Changes in share capital (fund)		
a) increase (due to)		
- issuance of shares (share issue)		
b) reduction (due to)		
- redemption of shares (stocks)		
1.2. Share capital (fund) at period end	689,000.00	689,000.00
2. Reserve capital	5,735,725.12	5,735,725.12
2. Reserve capital (fund) at period beginning	5,735,725.12	5,735,725.12
2.1. Changes in reserve capital (fund)		
a) increase (due to)		
- issuance of shares above nominal value		
- profit sharing (statutory)		
- profit sharing (above the statutory minimum value)		
b) reduction (due to)		
- loss coverage		
2.2. Reserve capital (fund) at period end	5,735,725.12	5,735,725.12
3. Revaluation capital	225,562.32	225,562.32
3. Revaluation reserve at period beginning – changes in the adopted accounting principles (policy)	225,562.32	225,562.32
3.1. Changes in revaluation capital (fund)		
a) increase (due to)		
b) reduction (due to)		
- disposal of fixed assets		
3.2. Revaluation reserve (fund) at period end	225,562.32	225,562.32
4. Reserve capital		

4. Other reserve capital (funds) at period beginning		
4.1. Changes in other reserve capital (funds)		
a) increase (due to)		
b) reduction (due to)		
4.2. Other reserve capital (funds) at period end		
5. Result from previous years	39,866,404.54	35,584,015.05
5. Profit (loss) from previous years at period beginning	46,289,988.54	44,795,912.05
5.1. Profit from previous years at period beginning	46,289,988.54	44,795,912.05
- changes in the adopted accounting principles (policy)		
- error corrections		
5.2. Profit from prev. years at period begin., after corr.	46,289,988.54	44,795,912.05
a) Increase (due to)		
- distribution of profits from previous years		
b) Reduction (due to)	6,423,584.00	9,211,897.00
dividend payment	6,423,584.00	9,211,897.00
5.3. Profit from previous years at period end	39,866,404.54	35,584,015.05
5.4. Loss from previous years at period beginning		
- changes in the adopted accounting principles (policy)		
- error corrections		
5.5. Loss from prev. years at period begin., after corr.		
a) Increase in loss (due to)		
- carrying forward losses from prev. years to be covered		
b) Reduction of loss (due to)		
...		
5.6. Loss from previous years at period end		
5.7. Profit (loss) from previous years at period end	39,866,404.54	35,584,015.05
6. Net result	9,145,250.74	10,705,973.49
a) net profit	9,145,250.74	10,705,973.49
b) net loss		
c) profit deductions		
II. Equity (fund) at period end (BC)	55,661,942.72	52,940,275.98
III. Equity capital (fund), after taking into account the proposed profit distribution (loss coverage)	48,345,741.72	46,516,691.98

CASH FLOW STATEMENT

Indirect method data in PLN

	Amount for the current financial year	Amount for the previous financial year
A. Cash flow from operating activities		
I. Net profit (loss)	9,145,250.74	10,705,973.49
II. Total corrections	22,589,848.98	-16,941,585.83
1. Depreciation	3,286,515.83	2,507,484.50
2. Profit (loss) from exchange rate differences		
3. Interest and profit sharing (dividends)	1,135,376.31	1,445,772.74
4. Profit (loss) from investing activities	-711,748.65	-145,992.25
5. Change in reserves	607,893.38	922,165.27
6. Change in inventory	3,849,258.43	-5,302,480.53
7. Change in receivables	7,968,965.12	-9,522,911.60
8. Change in short-term liabilities, excluding loans and credits	6,665,822.55	-7,159,629.88
9. Change in accruals	-212,233.99	314,005.92
10. Other corrections		
III. Net cash flow from operating activities (I±II)	31,735,099.72	-6,235,612.34
B. Cash flow from investing activities		
I. Inflows	1,061,075.92	1,417,233.33
1. Disposal of intangible assets and tangible fixed assets	1,061,075.92	1,417,233.33
2. Disposal of real estate investments and intangible assets		
3. From financial assets, including:		
a) in related entities		
b) in other entities		
- disposal of financial assets		
- dividends and profit shares		
- repayment of long-term loans granted		
- interest		
- other inflows from financial assets		
4. Other investment inflows		
II. Expenses	2,723,604.69	4,185,692.50
1. Acquisition of intangible assets and tangible fixed assets	2,723,604.69	4,185,692.50
2. Investments in real estate and intangible assets		

3. For financial assets, including:		
a) in related entities		
b) in other entities		
- acquisition of financial assets		
- long-term loans granted		
4. Other capital expenditures		
III. Net cash flow from investing activities (I-II)	-1,662,528.77	-2,768,459.17
C. Cash flow from financial activities		
I. Inflows		11,004,331.99
1. Net inflows from the issuance of shares (share issue) and other capital instruments and capital contributions		
2. Credits and loans		11,004,331.99
3. Issuance of debt securities		
4. Other financial inflows		
II. Expenses	19,142,100.90	3,027,666.77
1. Acquisition of own shares (stocks)		
2. Dividends and other payments to owners		
3. Profit distribution expenses other than payments to owners		
4. Repayment of loans and credits	16,724,331.99	660,000.00
5. Redemption of debt securities		
6. Due to other financial liabilities		
7. Payments of liabilities under financial leasing agreements	1,282,392.60	921,894.03
8. Interest	1,135,376.31	1,445,772.74
9. Other financial expenses		
III. Net cash flow from investment activities (I-II)	-19,142,100.90	7,976,665.22
D. Total net cash flow	10,930,470.05	-1,027,406.29
E. Balance sheet change in cash, including:	10,930,470.05	-1,027,406.29
- change in cash position due to exchange rate differences		
F. Cash at period beginning	958,382.61	1,985,788.90
G. Cash at period end, including:	11,888,852.66	958,382.61
- with limited disposal options	19,718.77	10,330.11

INCOME TAX CALCULATION

Data in PLN

	Amount for the current financial year	Amount for the previous financial year
A. Gross profit (loss) for the year	11,748,560.74	13,443,754.49
B. Tax-exempt income (permanent differences between profit/loss for accounting purposes and profit/loss for tax purposes), including:		
Remaining		
C. Non-taxable income in the current year, including:	2,181,688.78	2,505,029.71
Remaining		
Unrealized exchange rate differences from balance sheet valuation (Article 15a, section 1)	493,208.70	599,338.24
Released write-offs for receivables NOT previously included in tax-deductible costs (Article 12, section 1, item 4e)	673,096.18	847,386.49
Release of reserves (Article 15, section 4e)	1,015,383.90	1,058,304.98
D. Taxable revenues in the current year, included in the accounting records of previous years, including:	8,089.83	670,612.70
Remaining		
Value of receivables written off as uncollectible and included in tax deductible costs (Article 12, section 1, item 4d)	8,089.83	18,988.90
Unrealized exchange rate differences from balance sheet valuation (Article 15a, section 3)		
Invoice revenues related to the lease agreement settled over time as a reduction of the lease costs (Article 15)		651,623.80
E. Non-deductible costs (permanent differences between profit/loss for accounting purposes and income/loss for tax purposes), including:	4,697,131.40	4,274,258.50
Remaining		5.82
PFRON (<i>Państwowy Fundusz Rehabilitacji Osób Niepełnosprawnych</i> [State Fund for Rehabilitation of Disabled People]) – payments ref. to in Art. 21, sec. 1 and Art. 23 of the Act of 27 August 1997 on vocational and social rehabil. and empl. of disabled persons (Art. 16, sec. 1, item 36)	311,388.00	279,102.00
Representation costs (Article 16, section 1, item 28)	588,425.27	890,472.57
Depreciation of leased fixed assets (Article 15, section 6)	1,324,067.36	882,865.07
Financial costs of leased fixed assets (Article 17b, section 1)	293,297.22	192,775.27
Write-offs for the consumption of fixed assets previously deducted from the tax base (1996 investment relief) (Article 16, section 1, item 48)		4,352.50
Donations made (Article 16, section 1, item 14)	5,000.00	18,000.00
Contributions to organizations, to which membership is not obligatory (Article 16, section 1, item 37)	3,619.32	3,559.35

Interest on late budget payments (Article 16, section 1, item 21)	3,179.00	2,148.00
Passenger car insurance premiums in excess of their proportion determined in such a proportion as the equivalent of EUR 20,000 remains (Article 16, section 1, item 49)	3,746.35	1,817.40
25% of the expenses incurred for the use of a passenger car (Article 16, section 1, item 51)	259,009.79	423,010.34
Increase in the reserve for retirement benefits and jubilee bonuses and other reserves (Article 15, section 4e)	1,905,399.09	980,662.33
Anti-dumping duty charged (Article 16)		541,255.71
Accrued letter of credit costs for 2022 (paid in 2023) (Article 16)		54,232.14
F. Costs not recognized as tax-deductible costs in the current year, including:	1,194,667.96	758,031.03
Remaining		
Unrealized exchange rate differences from balance sheet valuation (Article 15a, section 3)		
Write-downs of receivables (Article 16, section 1, item 26a)	1,072,352.73	741,862.24
Impairment losses on non-financial assets (inventories) (Article 16, section 1, item 27)	122,315.23	16,168.79
G. Costs recognized as costs of obtaining revenues in the current year, included in the books of previous years, including:	1,708,434.25	1,369,401.28
Remaining		
Fees set out in the leasing agreement borne by the user (Article 17b, section 1)	1,575,689.82	1,113,593.54
Written-off receivables, the uncollectibility of which is deemed probable (Article 16, section 1, item 25a)	132,744.43	141,805.36
Costs settled over time under the lease agreement (taxable income in 2022, item D 4) (Article 16)		114,002.38
H. Losses from previous years, including:		
I. Other changes to the tax base, including:	5,000.00	18,000.00
Remaining		
Donations – deduction from income (Article 18, section 1, item	5,000.00	18,000.00
J. Income tax base	13,753,327.00	15,254,226.00
K. Income tax	2,613,132.00	2,898,303.00

ADDITIONAL INFORMATION

Data in PLN

ADDITIONAL INFORMATION AND EXPLANATIONS

Notes from No. 1 to No. 39

ADDITIONAL INFORMATION AND EXPLANATIONS

Major achievements in research and development

The company does not currently conduct its own research and development work and does not anticipate doing so in the near future.

Securities, share certificates

The company does not own or plan to acquire any securities or rights, including share certificates.

The company does not have any units in which it would have an interest in the capital or 20% of the total number of votes in the company's decision-making body.

- 1. Intangible assets – changes during the 2023 financial year are presented in the table below**

Total expenditure on intangible assets amounted to PLN 16,293.08.

- 2. Property, plant and equipment – changes during the financial year are presented in the table below**

CHANGES IN THE VALUE OF FIXED ASSETS, INTANGIBLE ASSETS AND LONG-TERM INVESTMENTS

GROSS value

No.	Defining the group of fixed asset components	Balance at the beginning of the financial year	Increase					Reduction				Balance at the end of the financial year
			from direct purchase	Settlement of fixed assets under construction	from operational leasing	from lease buyout	due to revaluation	transferred to users	sale	End of lease	liquidation	
1.	Intangible assets	411,679.01	16,293.08								0.00	427,972.09
a)	costs of completed development work											
b)	company value											
c)	other intangible assets	411,679.01	16,293.08								0.00	427,972.09
d)	expenditure on computer software											
2.	Fixed assets	38,227,472.12	1,362,525.61	1,623,131.62	1,505,603.44	0.00	0.00	0.00	845,309.01	0.00	1,652.03	41,871,771.75
a)	land (including the right of perpetual usufruct of land)	292,721.49										292,721.49
b)	buildings, premises and other civil engineering structures	17,142,118.25										17,142,118.25
c)	technical equipment and machines	14,588,415.16	969,177.48	764,557.19					756,415.29		1,652.03	15,564,82.51
d)	means of transport	5,238,919.74	68,000.00	858,574.43	1,505,603.44				41,283.70			7,629,813.91
e)	other fixed assets	965,297.48	325,348.13			0.00			47,610.02			1,243,035.59
3.	Fixed assets under construction	380,016.57	1,344,786.00					1,623,131.62	64,977.95	0.00		36,693.00
4.	Advances for fixed assets under construction											
5.	Real estate not valued at market price or fair value											
	TOTAL	39,019,167.70	2,723,604.69	1,623,131.62	1,505,603.44	0.00	0.00	1,623,131.62	910,286.96	0.00	1,652.03	42,336,436.84

REMISSION

No.	Defining the group of fixed asset components	Balance at the beginning of the year	Increase		from revaluation	Reduction			Balance at the end of the financial year	Total net value	Proceeds from sales
			depreciation			from leasing	Sales (costs)	liquidation			
			planned	unplanned							
1.	Intangible assets	388,147.74	21,845.30						409,993.04	17,979.05	
a)	costs of completed development work										
b)	company value										
c)	other intangible assets and	388,147.74	21,845.30						409,993.04	17,979.05	
d)	advances on intangible assets										
2.	Fixed assets	19,524,038.56	3,264,670.53	0.00	0.00	0.00	560,959.69	1,652.03	22,226,097.37	19,645,674.38	1,031,075.92
a)	land (including the right of perpetual usufruct of land)	0.00							0.00	292,721.49	
b)	buildings, premises and other civil engineering structures	6,997,433.89	437,131.53						7,434,565.42	9,707,552.83	
c)	technical equipment and machines	9,457,449.97	1,492,388.34				472,065.97	1,652.03	10,476,120.31	5,087,962.20	65,249.87
d)	means of transport	2,120,589.52	1,263,279.27				41,283.70		3,342,585.49	4,287,228.42	368,566.75
e)	other fixed assets	948,564.78	71,871.39				47,610.02		972,826.15	270,209.44	597,259.30
3.	Fixed assets under construction	0.00							0.00	36,693.00	30,000.00
4.	Advances for fixed assets under construction										
5.	Real estate not valued at market price or fair value										
	TOTAL	19,912,186.30	3,286,515.83	0.00	0.00	0.00	560,959.69	1,652.03	22,636,90.41	19,700,346.43	1,061,075.92

	31/12/2022 PLN	31/12/2023 PLN
3. Fixed assets – by ownership title		
Own fixed assets	15,679,709.20	16,076,049.22
Fixed assets used under an operating lease agreement that meets the characteristics of a financial lease	3,403,740.93	3,606,318.16
Total fixed assets in the balance sheet records	19,083,450.13	19,682,367.38
The value of fixed assets not depreciated or amortized by the entity, used on the basis of rental, lease and other agreements, including leasing agreements	0.00	0.00
	19,083,450.13	19,682,367.38

There are no lands in perpetual usufruct.

In 2023, the proceeds from the sale of fixed assets amounted to **1,061,075.92 PLN**. No write-downs of fixed assets were made during the financial year.

4. Expenditures on non-financial fixed assets

Expenditures on non-financial fixed assets from direct purchase in the current financial year amounted to **2,723,604.69 PLN** and they were spent on:

Purchase of means of transport	926,574.43
Production equipment	450,025.48
Purchase of equipment for car workshops	729,678.82
Fixed assets under construction	36,693.00
Expenditures on company computerization	65,482.92
Purchase of intangible assets	16,293.08
Remaining	498,856.96
	2,723,604.69

The company has not incurred and does not plan to incur any expenditure on environmental protection in 2023. The company has an ISO 14001:2004 environmental management system certificate.

For 2024, we plan capital expenditures of approximately PLN 4 million, including: the purchase of production equipment, fleet replacement: delivery vehicles, trucks and forklifts.

5. Supplies

During the annual inventory, inventories were reviewed for their economic usefulness and inventories with reduced value or economically unusable were identified. In connection with the above, write-downs were made on the value of inventories in the amount of:

WRITE-DOWNS ON NON-FINANCIAL ASSETS	as of 31/12/2022	reduction (due to sale)	increase	as of 31/12/2022
goods	36,928.20		81,545.31	118,473.51
products	12,746.49	0.00	40,769.92	53,516.41
TOTAL	49,674.69	0.00	122,315.23	171,989.92

The final balance of the write-down on goods amounts to PLN 118,473.51, which is 0.4% of their value, and the write-down on products amounts to PLN 53,516.41, which is 0.4% of their value.

6. Receivables

Ageing analysis of trade receivables balances as at 31 December 2023

BALANCES DUE	Re related entities	Re other entities
currently payable from foreign contractors.	0.00	111,390.33
cash register turnover	0.00	5,722.39
currently payable factoring receivables	0.00	0.00
remaining currently payable	3,630,218.42	17,331,130.38
TOTAL currently payable	3,630,218.42	17,448,243.10
overdue up to 1 month	0.00	10,223,275.15
overdue up to 3 months	0.00	5,094,892.76
overdue between 3 and 6 months	0.00	825,757.86
overdue between 6 months and 1 year	0.00	47,018.42
overdue for more than 1 year	0.00	0.00
TOTAL overdue	0.00	16,190,944.19
TOTAL	3,630,218.42	33,639,187.29

7. Write-downs of receivables

	31/12/2022	31/12/2023
Balance at the beginning of the year	PLN 5,148,409.26	PLN 5,057,268.73
Increases (new reserves)	PLN 488,223.86	PLN 1,043,506.00
Realization (released reserves due to repayment)	PLN -579,364.39	PLN -543,917.27
Correction of a previously made write-off	PLN 00,00	PLN 00,00
Balance at the end of the year	PLN 5,057,268.73	PLN 5,556,857.46

8. Tax, customs and social security receivables

	31/12/2022	31/12/2023
VAT receivables	187,978.00	212,195.87
Receivable due to overpayment of corporate tax resulting from the advance settlement for the month of December	0.00	309,931.00
		0.00
Customs receivables	0.00	0.00
Tax on means of transport	0.00	0.00
TOTAL	187,978.00	522,126.87

9. Accruals and prepayments**Long-term accruals and prepayments**

Deferred income tax assets	31/12/2022	31/12/2023
- Provision for temporary differences arising from revaluation of non-financial assets (goods and products)	9,438.00	32,678.00
- Unrealized negative exchange rate differences from valuation as at the balance sheet date	0.00	0.00
- Provision for pension benefits and jubilee awards	129,553.00	285,587.00
- Provision for unused holidays	140,008.00	113,080.00
- Provision for accrued letter of credit costs (payment in 2023)	10,304.00	0.00
- Provision for legal claims	4,093.00	0.00
- Provision for revenues and adjustment of warehouse rental costs in Zabrze	99,043.00	0.00
- Provision for anti-dumping duty accrued	162,799.00	0.00
- Provision for costs incurred in 2023 (to be paid in 2024)	150,971.00	372,215.00
TOTAL deferred income tax assets:	706,209.00	803,560.00
Other accruals	0.00	0.00
TOTAL long-term accruals and prepayments:	706,209.00	803,560.00

Short-term accruals and prepayments:

	31/12/2022	31/12/2023
Paid property insurance	39,739.20	67,238.77
Paid subscriptions and training	2,528.34	2,593.02
Road vignettes/VIATOL	5,866.06	7,863.76
Settlement of telephone, monitoring and other charges	5,767.42	5,900.46
Renovations settled over time	326,066.00	280,934.00
TOTAL short-term accruals and prepayments:	379,967.02	364,530.01

10. Share capital

The share capital of the company as at 31 December 2023 consisted of 1,378 equal and indivisible shares with a nominal value of PLN 500 each. The company did not acquire its own shares.

As of 31 December 2023, the company's shareholders included:

Shareholder name	Number of shares held	Nominal value of shares held	Type of shares held	% of votes held
COLMEC GROUP AB (SWEDEN)	1.378	689,000	common	100%

Information about changes made in 2023:

On 28 August 2023, a change of the company name was reported to the Swedish register. The previous company name "Colmec Holding AB" has been replaced by the name "Colmec Group AB". The remaining company details, i.e., tax number and registered office, have not changed. On 27 October 2023, this change of data was entered in the National Court Register (KRS).

11. Net financial result

Net profit for the financial year between 1 January and 31 December 2022 amounted to **PLN 10,705,973.49** and in accordance with the resolution of the Board of Shareholders held on 15 March 2023, it was divided as follows:

- the net profit amount of **PLN 6,423,584.00 PLN** was allocated to the payment of dividends to the sole shareholder;
- the net profit amount of **PLN 4,282,389.49** was left as undistributed profit to be distributed in subsequent years.

Net profit for the financial year between 1 January and 31 December 2023 amounted to **PLN 9,145,250.74**.

The Board of Directors will propose to the General Meeting to divide it as follows:

- to allocate **PLN 7,316,201.00** to the payment of dividends to the sole shareholder;
- to leave **PLN 1,829,049.74** as undistributed profit to be distributed in subsequent years.

12. Provisions for liabilities – changes during the financial year

	Balance as of	Created	Used	Resolved	Balance as of
	01/01/2023				31/12/2023
	PLN	PLN	PLN	PLN	PLN
Deferred income tax provision (investment allowances)	30,630.00	0.00	0.00	2,224.00	28,406.00
Deferred income tax provision – positive exchange rate differences from the balance sheet as at 12/31/2022	106,043.00	93,674.00	0.00	0.00	199,717.00
Provision for temporary difference in value of leased fixed assets	47,331.00			3,921.00	43,410.00
Provision (warranty – retreaded tires)	0.00	244,987.00	0.00	0.00	244,987.00
Provision (complaints and costs related to the termination of the passenger car tire department)	0.00	110,000.00	0.00	0.00	110,000.00
Provision for unused holidays	736,884.00		0.00	141,727.00	595,157.00
Anti-dumping duty provision	856,836.47			856,836.47	0.00
Provision for GT letter of credit costs accrued, payment due in January 2023	54,232.14			54,232.14	0.00
Provision for costs (balance sheet audit, advisory services)	0.00	76,567.00		0.00	76,567.00
Provision for bonuses for 2023 to be paid in 2024	794,586.62	1,873,388.90	794,586.62		1,873,388.90
Provision for legal claims from an employee	21,544.29		21,544.29		0.00
Provision for pension and similar benefits	681,860.00	117,726.00	0.00	33,378.00	766,208.00
- including long-term	641,770.00			33,378.00	608,392.00
- including short-term	40,090.00	117,726.00			157,816.00
TOTAL:	3,329,947.52	2,516,342.90	816,130.91	1,092,318.61	3,937,840.90

For additional information on deferred income tax, see note 28.

13. Long-term liabilities – time structure by maturity

	31/12/2022	31/12/2023
	PLN	PLN
Liabilities to related entities	0.00	0.00
· over 1 year to 3 years	0.00	0.00
· over 3 to 5 years	0.00	0.00
· over 5 years	0.00	0.00
Liabilities to other entities		
· over 1 year to 3 years, including:	7,268,050.51	2,092,236.22
* bank loans	5,060,000.00	0.00
* leasing	2,208,050.51	2,092,236.22
· over 3 to 5 years, including:	17,534.81	0.00
* bank loans	0.00	0.00
* leasing	17,534.81	0.00
· over 5 years, including:	0.00	0.00
* bank loans	0.00	0.00
* leasing	0.00	0.00
TOTAL:	7,285,585.32	2,092,236.22

14. Short-term liabilities of Colmec Sp. z o.o. as of 31/12/2023**A. Time structure by maturity**

Ageing analysis of short-term liabilities (without ZFŚS (<i>Zakładowy Fundusz Świadczeń Socjalnych</i> [Company Social Benefits Fund]) and without a loan) by maturity as at 31 December 2023, divided into liabilities to related entities and liabilities to other entities	Other domestic and foreign entities	Related entities
TOTAL	55,345,733.53	
- current, payable within 1 month	21,445,499.11	154,091.44
- current, payable between 1 and 3 months	15,867,334.30	28,768.79
- current, payable between 3 and 6 months	1,566,251.68	
- current, payable between 6 and 12 months	648,307.21	
- over 12 months (dividend – deferred payment)		15,635,481.00
TOTAL	39,527,392.30	15,818,341.23

B. Short-term liabilities – breakdown by currency

Breakdown of short-term liabilities by currency	as of 31/12/2022	as of 31/12/2022
- Polish currency	10,883,798.78	9,614,080.04
- Polish currency (dividend)	9,211,897.00	15,635,481.00
- foreign currency	21,813,459.92	30,096,172.49
TOTAL	41,909,155.70	55,345,733.53

The following exchange rates were used to value settlements in foreign currencies as at 31/12/2023 (Table of average exchange rates No. 251/A/NBP/2023 dated 29/12/2023):

EUR: 4.3480

USD: 3.9350

SEK: 0.3919

15. Leasing – statement of liabilities as of 31/12/2023

As of 31/12/2023, the company leased thirty-two transport units and three devices under 35 agreements with MILLENNIUM LEASING.

Contract groups:

- A.** twenty-four contracts for passenger cars for a period of 48 months, two contracts for SCANIA trucks for a period of 48 months, one contract for a SCANIA truck for a period of 60 months and one contract for a MERCEDES truck for a period of 60 months, four contracts for forklifts for a period of 60 months
- B.** three contracts for production equipment, including two contracts for a period of 60 months and one for 84 months.

The total value of leasing liabilities as at 31/12/2023 is **3,377,842.97 PLN**.

This amount is divided into:

- long-term part	2,092,236.22
- short-term part	1,285,606.75

16. Bill of exchange liabilities

As of 31/12/2023, the company had 2 signed bills of exchange in favor of Goodyear Polska Sp. z o.o. with maturity dates in 2024 for the total amount **1,367,943.58 PLN**, including:

bill of exchange	amount	maturity date
1	596,855.17	01-02-2024
2	771,088.41	04-04-2024
TOTAL	1,367,943.58	

17. Credits and loans

As of 31 December 2023, the company had no credit liabilities.

Due to the decision of the owner of the Colmec Group, the Colmec Group was sold on 5 July. The new owner of the Group is the Norwegian Investment Fund NORVESTOR.

Before the sale, the existing loan agreements with DANSKE BANK AS S.A. branch in Poland and with Millennium Bank were terminated and all related security was released.

To repay the bank debt, COLMEC HOLDING AB granted a loan in the amount of PLN 8,405,000.00. The loan was repaid in full with interest on 28 December 2023.

18. List of liabilities secured by assets

As of the year-end date, i.e., 31/12/2023, COLMEC did not have any loan liabilities secured by assets – see Section 17 above for details.

19. Liabilities arising from taxes, customs duties, insurance and other public law obligations

Liabilities arising from taxes, customs duties, insurance and other public law obligations

	31/12/2022	31/12/2023
	PLN	PLN
Liabilities:		
- personal income tax	200,734.00	211,565.00
- corporate income tax	1,046,871.00	0.00
- relating to the means of transport	0.00	0.00
- social security contributions	522,904.97	532,395.79
- VAT	3,993,005.00	2,854,657.00
- from other titles (PFRON)	25,871.00	25,988.00
- other titles (e-toll)	6,000.00	6,000.00
	<u>5,795,385.97</u>	<u>3,630,605.79</u>

20. Passive accruals

As of the end of the year, i.e., 31/12/2023, COLMEC had short-term accruals in the amount of PLN 390,960.00 resulting from revenues settled over time reducing the costs of long-term warehouse rental in Zabrze.

21. Material and territorial structure of net revenues from sales of products, goods and materials

Details	Domestic sales revenues	International sales revenues	Total
	PLN	PLN	PLN
1. REGENERATION SALES, including:	36,042,956.75	11,507,418.22	47,550,374.97
a) own regenerated tires	24,486,406.76	11,507,418.22	35,993,824.98
b) regeneration services	11,556,549.99	0.00	11,556,549.99
2. OTHER SALES	2,497,592.89	0.00	2,497,592.89
3. SALE OF COMMERCIAL GOODS	164,781,426.37	6,178,171.29	170,959,597.66
Total sales revenue	203,321,976.01	17,685,589.51	221,007,565.52

22. Other operating income

	2022	2023
	PLN	PLN
Profit on sale of fixed assets	145,992.25	711,748.65
- value of fixed assets sold	1,271,241.08	349,327.27
- revenues from the sale of fixed assets	1,417,233.33	1,061,075.92
Release of provisions for receivables and claims and long-term receivables	814,540.89	661,462.47
Revaluation of non-financial assets	23,572.21	0.00
Writing off overdue and written-off liabilities	8,535.07	0.00
Compensations, penalties and fines received	128,511.29	79,089.95
Inventory surpluses	8,181.13	11,019.45
Reimbursement of awarded court costs	80,599.97	29,385.08
Donations received		
Other (marketing support, payer revenue, rounding)	5,198,383.87	4,769,641.18
TOTAL:	6,408,316.68	6,262,346.78

23. Other operating expenses

	2022	2023
	PLN	PLN
Loss on sale of fixed assets	0.00	0.00
- value of fixed assets sold	0.00	0.00
- revenues from the sale of fixed assets	0.00	0.00
Write-downs of receivables	731,995.25	1,107,917.02
Write-downs on non-financial assets (supplies)	16,168.79	122,315.23
Writing off overdue, uncollectible receivables	48.63	1,885.40
Donations made	18,000.00	5,000.00
Contributions to organizations	3,559.35	3,619.32
Costs of motor vehicle and other damages	119,138.76	69,761.15
Anti-dumping duty calculated ('22) customs duty settlements-decisions ('23)	541,255.71	-541,255.71
Costs incurred in court proceedings	126,466.34	74,427.92
Shortages and damages	131,350.73	124,772.75
Costs of leased fixed assets	4,352.50	0.00
Provision for bonuses	794,586.62	1,897,375.00
Provision for pension benefits and jubilee awards	0.00	117,726.00
Provision for unused holidays	164,383.00	0.00
Cost provision		149,567.00
Provision for warranty (retreaded tires)		244,987.00
Balance sheet audit provision	0.00	37,000.00
Remaining	183,122.94	81,202.05
TOTAL:	2,834,428.62	3,496,300.13

24. Financial income

	2022	2023
	PLN	PLN
Interest earned, including:	92,149.50	98,844.36
- from related entities	0.00	0.00
Profit from exchange rate differences	0.00	2,995,304.61
Positive exchange rate differences		3,778,388.09
Negative exchange rate differences		783,083.48
Remaining	648.10	54,232.14
TOTAL:	92,797.60	3,148,381.11

25. Financial costs

	2022	2023
	PLN	PLN
Interest on loans and credits, including:	1,067,408.90	589,833.27
- for related entities	0.00	202,641.00
Interest on guarantees and letters of credit	76,543.90	129,286.91
Bank commissions	109,081.24	123,059.35
Financial costs of leasing	192,775.27	293,297.22
Foreign exchange loss	1,445,756.90	0.00
Positive exchange rate differences	1,939,949.34	0.00
Negative exchange rate differences	3,385,706.24	0.00
Remaining	0.00	0.00
TOTAL:	2,891,566.21	1,135,476.75

26. Income tax

	2022	2023
	PLN	PLN
Net profit/(loss)	13,443,754.49	11,748,560.74
Non-deductible expenses and other increases	5,032,289.53	5,891,799.36
Income increasing the tax base	670,612.70	8,089.83
Non-taxable income	-1,446,724.73	-1,166,304.88
Expenditures that reduce the tax base	-2,427,706.26	-2,723,818.15
Socially useful donations	-18,000.00	-5,000.00
Taxable income	15,254,225.73	13,753,326.90
Investment relief	0.00	0.00
Tax base	15,254,226.00	13,753,327.00
Income tax (19%)	2,898,303.00	2,613,132.00
Income tax paid abroad	0.00	0.00
INCOME TAX FOR THE YEAR:	2,898,303.00	2,613,132.00

27. Settlement of the main items that differ from the tax base income from the financial result in 2023

	2023
I GROSS PROFIT for the period between 01/01/2023 and 31/12/2023	11,748,560.74
II COSTS AND LOSSES THAT DO NOT CONSTITUTE COSTS OF OBTAINING REVENUE:	
1. Cost of representation	588,425.27
2. PFRON	311,388.00
3. Depreciation of fixed assets not recognized by tax regulations as a cost of obtaining income in connection with the use of the 1996 investment relief (so-called "general relief")	11,702.52
4. Depreciation of leased and own purchased fixed assets	1,312,364.84
5. Financial costs of leased fixed assets	293,297.22
6. Contributions made to organizations, to which membership is not obligatory	3,619.32
7. Donations made that are tax-deductible	5,000.00
8. Write-downs on receivables from sales not recognized by tax law as costs of obtaining revenues, created as of the balance sheet date	1,072,352.73
9. Write-down of non-financial assets (inventories)	122,315.23
10. Costs of leased fixed assets (operating lease) purchased	0.00
11. Paid fines, damages, interest, etc.	3,179.00
12. Part of the expense for insurance of passenger cars whose insured value exceeds the sub-limit.	3,746.35
13. Costs of passenger cars that do not constitute costs of obtaining revenues	259,009.79
14. Provision for retirement and bonus benefits, and other changes in provisions	1,905,399.09
TOTAL II: (1-16)	5,891,799.36
III OTHER INCREASES IN THE TAX BASE	
1. Income from receivables written off in previous years and repaid in 2022	8,089.83
TOTAL III: (1-2)	8,089.83
IV REVENUE NOT INCLUDED IN THE TAX BASE	
1. Provisions for doubtful receivables from previous years released in the current year, included in operating costs and not recognized as costs of obtaining income in previous years	213,330.53
2. Unrealized exchange rate differences from the valuation of settlements as of the balance sheet date (per balance)	493,208.70
3. Released reserves for receivables (Vat-ZD)	459,765.65
TOTAL IV: (1-3)	1,166,304.88
V OTHER REDUCTIONS OF THE TAX BASE	
1. Reduction in the reserve for unused leave, pension and other benefits	1,015,383.90
2. Receivables (write-offs for receivables not recognized as costs of obtaining revenues), the uncollectibility of which in the current year was deemed probable	132,744.43
3. Operating lease costs constituting the purchase	1,575,689.82
TOTAL V: (1-4)	2,723,818.15
INCOME BEFORE DEDUCTIONS (I+II+III-IV-V):	13,758,326.90
VI INCOME DEDUCTIONS:	
1. Donations for socially useful purposes	5,000.00
TOTAL V: (1)	5 000,00
VII DEDUCTIONS FROM THE TAX BASE	0.00
VIII ADDITIONS TO THE TAX BASE	0.00
IX TAXABLE INCOME	13,753,326.90
(I+II-III-IV-V-VI-VII-VIII) after rounding in PLN	13,753,327.00
X INCOME TAX AT THE RATE OF 19% (in PLN)	2,613,132.00

28. Deferred income tax

28 a) Deferred income tax provision due to

Positive temporary differences between the value of assets shown in the accounting books and their tax value:

	31/12/2022	31/12/2023
	PLN	PLN
- in connection with the use of investment relief in 1996	30,630.00	28,406.00
- due to temporary differences resulting from revenues	0.00	0.00
- in connection with temporary differences in the value of Leased Fixed Assets	47,331.00	43,410.00
- due to positive exchange rate differences from balance sheet valuation	106,043.00	199,717.00
TOTAL PROVISIONS for deferred income tax	184,004.00	271,533.00

28 b) Deferred income tax assets due to

	31/12/2022	31/12/2023
	PLN	PLN
- write-down of non-financial assets	9,438.00	32,678.00
- unrealized negative differences Exchange rates from valuation as at the balance sheet date	0.00	0.00
- temporary differences in costs	150,971.00	437,941.00
- calculation of letter of credit costs (payment in 2023)	10,304.00	0.00
- provision for legal claims	4,093.00	0.00
- provision for revenues and adjustment of warehouse rental costs in Zabrze	99,043.00	74,282.00
- provision for anti-dumping duty accrued	162,799.00	0.00
- provision for unused holidays	140,008.00	113,080.00
- provision for pension benefits and jubilee awards	129,553.00	145,579.00
TOTAL deferred income tax assets:	706,209.00	803,560.00

The charge to the financial result for 2022 due to temporary income tax differences is as follows:

	31/12/2022	31/12/2023
1. Change in reserves resulting from exchange rate differences from negative valuation	7,828.00	0.00
2. Change in reserves resulting from exchange rate differences from positive valuation	106,043.00	93,674.00
3. Change in the provision for pension benefits and anniversary bonuses.	43,436.00	-16,026.00
4. Partial release of provisions for investment relief due to the current year (from the 1996 investment relief for fixed assets)	-2,223.00	-2,224.00
5. Release of provision (asset) due to the creation of a provision in connection with temporary differences in the value of income	-23,497.00	0.00
6. Change in provision due to temporary differences in cost values	6,467.00	-286,970.00
7. Provision in connection with calculation of letter of credit costs (payment in 2023)	-10,304.00	10,304.00
8. Provision for legal claims	-4,093.00	4,093.00
9. Provision for revenues and adjustment of warehouse rental costs in Zabrze	-99,43.00	24,761.00
10. Provision for anti-dumping duty accrued	-162,799.00	162,799.00
11. Change in the provision for unused holidays	-31,233.00	26,928.00
12. Change in the provision (assets) for differences in the value of Leased Fixed Assets	7,489.00	-3,921.00
13. Change in the provision due to the change in the write-down of revalued non-financial assets	1,407.00	-23,240.00
TOTAL DEFERRED INCOME TAX FOR THE YEAR:	-160,522.00	-9,822.00
INCOME TAX DUE FOR 2023 (acc. to declaration)	2,898,303.00	2,613,132.00
CHARGES ON THE FINANCIAL RESULT FOR THE YEAR 2023	2,737,781.00	2,603,310.00

29. Cash structure for cash flow statement purposes

	31/12/2022	31/12/2023
	PLN	PLN
Cash on hand	24,761.13	27,484.14
Cash in bank accounts (excluding VAT)	339,072.25	11,456,094.62
Cash in VAT accounts	594,549.23	405,273.90
Other cash (pending)	0.00	0.00
Other monetary assets	0.00	0.00
	958,382.61	11,888,852.66
Short-term financial assets	0.00	0.00
Total cash for cash flow statement purposes	958,382.61	11,888,852.66

The cash flow statement is presented in a smaller report in accordance with the National Accounting Standard No. 1 "CASH FLOW STATEMENT" (published in the Journal of Laws of the Minister of Finance of 06/11/2017, item 216).

30. Discontinued operations

In April 2023, the Colmec Group Board of Directors decided to close the Passenger Car Tire Department at Colmec Sp. z o.o. and focus entirely on truck tire sales and customer service, as is the case with other Colmec Group companies.

From that moment on, all efforts of the passenger car tire department were focused on selling existing goods and significantly reducing orders for the next season of winter tires. Hence the decline in sales.

As planned, by the end of 2023, all the goods in this department warehouses were sold, along with the existing equipment in the warehouse – steel baskets for storing and warehousing passenger tires.

The five sales representatives employed in the sales force have found employment in other departments of our company as well as in our second company from the Colmec Group in Poland – Master Serwis Opon Sp. z o.o. – in comparable positions. Therefore, they joined and strengthened the remaining sales and service departments in order to further expand and develop the Polish market.

31. Contingent liabilities

(a) Guarantees and warranties

Colmec has not provided any guarantees or warranties to any other entities.

(b) Penalty interest

Pursuant to the Civil Code, interest on overdue liabilities may become due within a period of up to 3 years from the settlement of the principal liability. It is practically impossible to specify the amount of the company's potential liability in this respect. The Board of Directors does not anticipate any charges for the company in respect of penalty interest for late payment of liabilities.

(c) Court cases

As of 31/12/2023, there are no legal proceedings pending against Colmec Sp. z o.o.

(d) Other contingent liabilities

The new owner of the Colmec Group – NORVESTOR Investment Fund – decided to provide security on its own assets in connection with the signing of the Group's loan agreement with SEB Bank – establishment of mortgages.

On 10/13/2023, the District Court in Tczew made an entry in SECTION IV – MORTGAGE in the land and mortgage register as follows:

Land and Mortgage Register No. GD1T/00017766/4, Land and Mortgage Register No. GD 1T/00017767/1, Land and Mortgage Register No. GD 1T/00020028/3,

Land and Mortgage Register No. GD 1T. 00030615/8, Land and Mortgage Register No. GD1T. 00024768/0)

A JOINT CONTRACTUAL MORTGAGE was established for the amount of SEK 945,000,000.00 (nine hundred forty-five million)

As:

a security of all monetary receivables of the lender towards the borrower (COLMEC HOLDING AB) and the company (COLMEC SP. Z O.O.) related to the loans and the guarantee in connection with the loan agreement concluded on 3 July 2023, securing all monetary receivables of the lender towards the borrower (COLMEC HOLDING AB), and the company (COLMEC SP. Z O.O.), related to the loans and the guarantee in connection with the loan agreement concluded on 3 July 2023 between, among others, SKANDINAVISKA ENSKILDA BANKEN AB (PUBL), with its registered office in Stockholm, the borrower, and the company, including receivables for repayment of loan amounts, including capital and interest, default interest, default interest, commissions, costs, expenses and all other costs and liabilities related to the loans and the guarantee, loan agreement concluded on 3 July 2023 with SKANDINAVISKA ENSKILDA BANKEN AB (PUBL), with its registered office in Stockholm.

The mortgage creditor is SKANDINAVISKA ENSKILDA BANKEN AB, Stockholm

In accordance with the Regulation of the Minister of Finance of 25/01/1994 and the Corporate Income Tax Act, the company benefited from investment relief. The use of these reliefs is conditional on compliance with all tax regulations. Pursuant to Article 18a), item 21a of the Corporate Income Tax Act, the company will not lose its right to the investment relief and investment bonus, provided that it pays the assigned amount of additional tax liabilities within 14 days of the issuance of the decision establishing additional tax liabilities. According to the company's Board of Directors, the risk of losing the right to investment relief is insignificant.

32. Events after the balance sheet date

After the balance sheet date and until the date of signing the financial statements, there were no significant events affecting the company's assets and financial situation.

33. Employment

Average employment in individual professional groups during the financial year amounted to:

	2022	2023
	Number of people	Number of people
Direct production workers	52	50
Warehouse workers	31	31
Salespeople – drivers	30	31
Service technicians	4	4
Other	2	2
White-collar positions	57	55
Average employment	176	173

34. Remuneration of the Board of Directors and Supervisory Board

Pursuant to the Resolution of the Extraordinary General Meeting of Shareholders of 27 January 2010, Mr. Peter Roland Eckerström was paid remuneration for serving as a Director of the Board of Directors in the period between 1 January 2023 and 31 May 2023 in the amount of SEK 50,000.00.

In June 2023, the company's Board of Directors changed. Mr. Peter Roland Eckerström was dismissed and Mr. Goran Patrick Sjölin was appointed. Pursuant to the Resolution of the Extraordinary General Meeting of Shareholders of 30 May 2023, Mr. Goran Patrick Sjölin was paid remuneration for serving as a Director of the Board of Directors in the period between 1 June 2023 and 31 December 2023 in the amount of SEK 70,000.00.

35. Transactions with persons belonging to management and supervisory bodies

No loans or similar benefits were granted to members of the management or supervisory bodies in the 2023 financial year.

36. Transactions with related parties

The company concluded transactions with the following foreign related entities, but not forming a capital group in Poland:

- COLMEC GROUP AB SWEDEN (name change 2023)
- COLMEC AB SWEDEN
- B.E. Produkter Sverige AB

and with the domestic unit linked through managers:

- MASTER SERWIS OPON Sp. z o.o.

Financial statement for the financial year ended 31 December 2023

RECEIVABLES	balance as of 31/12/2022	balance as of 31/12/2023
from foreign affiliates	PLN	PLN
1. COLMEC HOLDING AB SWEDEN	0.00	0.00
2. COLMEC AB SWEDEN	0.00	0.00
3. B.E. Produkter Sverige AB	0.00	0.00
TOTAL (1+2+3):	0.00	0.00
from domestic affiliates		
4. Master Serwis Opon Sp. z o.o.	4,701,162.47	3,630,218.42
TOTAL (1+2+3+4):	4,701,162.47	3,630,218.42
LIABILITIES	balance as of 31/12/2022	balance as of 31/12/2023
from foreign affiliates	PLN	PLN
1. COLMEC GROUP AB	177,008.77	106,535.27
2. COLMEC GROUP AB (dividend)	9,211,897.00	15,635,481.00
3. COLMEC GROUP AB (IC LOAN)		8,405,000.00
COLMEC GROUP AB (IC LOAN – repayment)		-8,405,000.00
4. COLMEC AB SWEDEN	78,867.36	0.00
5. B.E. Produkter Sverige AB	0.00	28,768.79
TOTAL (1+2+3):	9,467,773.13	15,770,785.06
from domestic affiliates		
5. Master Serwis Opon Sp. z o.o.	18,455.66	47,556.17
TOTAL (1+2+3+4):	9,486,228.79	15,818,341.23
REVENUE	year 2022	year 2023
foreign affiliates	PLN	PLN
1. COLMEC GROUP AB	0.00	0.00
2. COLMEC AB SWEDEN	12,737,017.45	12,963,152.38
3. B.E. Produkter Sverige AB	1,392,781.44	1,353,883.84
4. COLMEC OY	0.00	118,315.35
TOTAL:	14,129,798.89	14,435,351.57
domestic affiliates		
5. Master Serwis Opon Sp. z o.o.	17,221,280.30	15,567,250.92
TOTAL (1+2+3+4+5):	31,351,079.19	30,002,602.49
COSTS / purchase of goods or services	year 2022	year 2023
foreign affiliates	PLN	PLN
1. COLMEC GROUP AB	2,243,079.14	1,969,809.37
2. COLMEC AB SWEDEN	20,107,761.01	13,746,103.49
3. B.E. Produkter Sverige AB	612,436.27	781,913.89
TOTAL:	22,963,276.42	16,497,826.75
domestic affiliates		
5. Master Serwis Opon Sp. z o.o.	196,837.17	400,096.78
TOTAL (1+2+3+4+5):	23,160,113.59	16,897,923.53

In 2023, the company did not enter into any transactions concluded on terms other than those stipulated in the contract with the affiliated parties.

The owner of 100% of the shares of COLMEC sp. z o.o. is COLMEC HOLDING AB and, after the name change, COLMEC GROUP AB. The owner of 100% of the shares of COLMEC GROUP AB is the Norwegian Investment Fund **NORVESTOR**. COLMEC GROUP AB prepares consolidated financial statements. The company's registered office is at NORRKOPING BOX 675, HANHOLMSVAGEN 63, S-601 15, SWEDEN, where the consolidated group report is available.

37. Information on the audit of the financial statements.

On 03/10/2023, the Annual General Meeting of Shareholders of Colmec Sp. z o.o. adopted a Resolution regarding the selection of the entity authorized to audit the financial statements.

The audit was commissioned to DORADCA AUDITORS Sp. z o.o. - Agreement of 03/10/2023
The contractor's remuneration for auditing the financial statements was set at PLN 37,000.00.

In 2023, the remuneration for the audit of the 2022 financial statements was paid in the amount of PLN 31,000.00. The study was conducted by DORADCA AUDITORS Sp. z o.o.

38. Information on changes in accounting policy made during the financial year.

No changes were made to the accounting policy in the 2023 financial year.

39. Other information – the company's situation in the face of the war in Ukraine.

In 2023, it is difficult to make predictions about the future, even in the short term, because we still have high inflation, rising prices of raw materials and especially energy prices, and pressure on wage increases. The situation remains highly uncertain due to threats related to the war in Ukraine. The company has not conducted any cooperation with companies from Ukraine or Russia and we are not currently experiencing any negative business impacts due to the war. We have not been subject to sanctions, nor have our suppliers. To date, there have been no payment bottlenecks, no changes in the availability of goods or services, and no difficulties with sales. We have not recorded any cyberattacks on the company. However, the situation on our eastern border may change at any time. It is therefore difficult to forecast the future and determine how it will affect the company's operations and planned profits.

Signature Not Verified

Document signed
by Aleksandra
Romanowska
Date: 20/02/2024
7:02:39 p.m. CET

Aleksandra Ronatowska
Person preparing the financial statements

Signature Not
Verified

Document
signed by
Patrick Göran Sjölin
Date: 20/02/2024
7:02:31 p.m. CET

Patrick Göran Sjölin
Director

SIGNATURES ATTACHED TO THE REPORT