ŚNIEŻKA
GROUP

3Q RAPORT

Consolidated Quarterly Report of the Śnieżka Group

for the third quarter of 2025

MISJA
Wierzymy, że kolory mają znaczenie.

19 November 2025

Table of contents

1. SUMMARY OF THE PERIOD 3
2. SELECTED FINANCIAL INFORMATION 5
3. THE COMPANY AND THE ŚNIEŻKA GROUP 7
4. COMMENT TO THE PERFORMANCE 15
4.1 MARKET AND BUSINESS ENVIRONMENT 15
Macroeconomic situation 15
4.2 SALES PERFORMANCE 21
4.3. KEY FACTORS AFFECTING FINANCIAL PERFORMANCE 24
4.4 FINANCIAL POSITION 27
4.5 CASH FLOWS 31
4.6 FINANCIAL RATIOS 33
4.8 FACTORS THAT MAY AFFECT THE GROUP'S PERFORMANCE IN THE FOLLOWING QUARTERS 35
5. QUARTERLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE ŚNIEŻKA GROUP 38
6. QUARTERLY CONDENSED STANDALONE FINANCIAL STATEMENTS 43
7. ADDITIONAL INFORMATION 47
8. CONTACT REGARDING THE REPORT 53

1. SUMMARY OF THE PERIOD

Highlights, including achievements and failures

In the first three quarters of 2025, the Śnieżka Group (the "Group") generated sales revenue of PLN 634,684 thousand, representing a 2.0% y/y decline. The Group's performance in the period under review continued to be adversely affected by persistent geopolitical instability, particularly the prolonged armed conflict in Ukraine and its consequences for the entire Central and Eastern European region, which encompasses the Group's key operating markets.

The Group's data indicate that, in the period under review, the decorative paints market in Poland continued to be affected by the challenges observed in the previous year. This translated into a decline, both in value and volume terms (single-digit y/y), recorded in the first three quarters of 2025 as well as in Q3 itself. Given these conditions, the Group's performance in Poland (+0.5%) remains above the market growth rate. In the Group's second-largest market, Hungary, the market recorded growth in both value and volume terms (single-digit y/y, in percentage terms). Against this backdrop, the Group's performance in Hungary (–3.9%) falls below the market growth rate. According to the Group's estimates for Ukraine, despite unfavourable geopolitical conditions, this market maintained a several-percent increase in value terms, while volumes declined. In these challenging conditions, the Group's performance in Ukraine remains broadly in line with the market.

In the reporting period, the Group achieved: consolidated net profit of PLN 72,662 thousand (+7.8% y/y), operating profit (EBIT) of PLN 102,428 thousand (+4.1% y/y), and EBITDA of PLN 131,137 thousand (+3.7% y/y). Net profit attributable to the shareholders of the parent company amounted to PLN 69,941 thousand (+8.2% y/y).

Selling and general administrative (SG&A) expenses increased slightly y/y, by 1.7%, reaching PLN 221,466 thousand. According to the Management Board, the Group's performance should be assessed primarily on a full-year basis, due to the challenges in predicting future macroeconomic conditions, consumer demand, developments in raw materials and packaging markets, and the on-going war in Ukraine together with its short- and particularly long-term effects.

Geographical structure of revenue

The Group's key markets are as follows: Poland (73.6% share in the revenue structure) Hungary (12.8% share) and Ukraine (9.7% share).

In Poland, the Group's cumulative sales revenue amounted to PLN 466,811 thousand, representing an increase of 0.5% compared with the previous year.

Revenue generated by the Group in other markets amounted to: Hungary: PLN 81,416 thousand (a 3.9% y/y decline, mainly due to persistently unfavourable macroeconomic conditions affecting consumer sentiment and the appreciation of the PLN against the HUF), Ukraine: PLN 61,604 thousand (a 4.5% y/y decline), and other markets (the "Other" operating segment): PLN 24,853 thousand (a 26.4% y/y decline).

Key results achieved in Q3 of 2025

In Q3 of 2025, the Group generated PLN 254,356 thousand in sales revenue (+3.8% y/y), PLN 55,076 thousand in operating profit (+10.9% y/y), PLN 64,660 thousand in EBITDA (+9.3% y/y), and PLN 41,392 thousand in net profit (+16.0% y/y).

Net profit attributable to the shareholders of the parent company amounted to PLN 39,920 thousand (+14.3% y/y).

The impact of the armed conflict in Ukraine on the Group

The Company's Management Board notes that the situation in the Ukrainian market remains uncertain and challenging, and that the results for the first three quarters of the year should not, in the Company's view, be used as a basis for estimating performance in subsequent periods.

Investments

In the first three quarters of 2025, the Group's capital expenditures amounted to PLN 14,243 thousand. This amount represents total capital expenditures reduced by proceeds from the sale of non-current assets in the same period (net CAPEX). Capital expenditures before deducting proceeds from asset disposals amounted to PLN 18,630 thousand in the reporting period.

2. SELECTED FINANCIAL INFORMATION

The Śnieżka Group – consolidated data (unaudited, not subject to review)

	in PLN '000		in EUR '000	
	the period of 9 months ended as at 30 September 2025	the period of 9 months ended as at 30 September 2024	the period of 9 months ended as at 30 September 2025	the period of 9 months ended as at 30 September 2024
I. Net revenue from sale of products, goods and materials	**634 684**	**647 680**	**149 813**	**150 546**
II. Profit from operating activities	102 428	98 385	24 178	22 869
III. Gross profit	90 830	83 844	21 440	19 489
IV. Net profit	**72 662**	**67 409**	**17 151**	**15 668**
- Net profit attributable to shareholders of the parent company	69 941	64 643	16 509	15 026
- Net profit attributable to non-controlling interest	2 721	2 766	642	643
V. Comprehensive income for the period	69 597	58 906	16 428	13 692
- Comprehensive income for the period attributable to shareholders of the parent company	67 414	57 384	15 913	13 338
- Comprehensive income for the period attributable to non-controlling interest	2 183	1 522	515	354
VI. Net cash flows from operating activities	104 019	76 064	24 553	17 680
VII. Net cash flows from investing activities	(8 663)	(28 465)	(2 045)	(6 616)
VIII. Net cash flows from financial activities	(129 129)	(48 597)	(30 480)	(11 296)
IX. Total net cash flows	(33 773)	(998)	(7 972)	(232)
X. Total assets	**791 526**	**843 234**	**185 404**	**197 059**
XI. Liabilities and provisions for liabilities	364 138	452 814	85 294	105 820
XII. Long-term liabilities	145 148	221 240	33 999	51 702
XIII. Short-term liabilities	218 990	231 574	51 295	54 117
XIV. Equity	**427 388**	**390 420**	**100 110**	**91 239**
- Equity attributable to the shareholders of the parent company	408 745	368 463	95 743	86 108
- Equities attributable to non-controlling interest	18 643	21 957	4 367	5 131
XV. Share capital	12 618	12 618	2 956	2 949
XVI. Number of shares / weighted average number of shares (components)	12 617 778	12 617 778	12 617 778	12 617 778
XVII. Earnings per ordinary share (in PLN / EUR)	5.76	5.34	1.36	1.24
- Earnings per share attributable to shareholders of the parent company	5.54	5.12	1.31	1.19
XVIII. Diluted earnings per ordinary share (in PLN / EUR)	5.76	5.34	1.36	1.24
- Diluted earnings per ordinary share attributable to shareholders of the parent company	5.54	5.12	1.31	1.19
XIX. Carrying amount per share (in PLN / EUR)	33.87	30.94	7.93	7.23
XX. Diluted carrying amount per share in PLN/EUR	33.87	30.94	7.93	7.23
XXI. Declared or paid dividend per share attributable to shareholders of the parent company (in PLN/EUR)	3.00	3.17	0.70	0.74

FFIL ŚNIEŻKA SA - standalone data (unaudited, not subject to review)

	in PLN '000		in EUR '000	
	the period of 9 months ended as at 30 September 2025	the period of 9 months ended as at 30 September 2024	the period of 9 months ended as at 30 September 2025	the period of 9 months ended as at 30 September 2024
I. Net revenue from sale of products, goods and materials	**422 998**	**430 561**	**99 846**	**100 079**
II. Profit from operating activities	106 101	97 287	25 044	22 613
III. Gross profit	86 166	74 557	20 339	17 330
IV. Net profit	**80 375**	**68 403**	**18 972**	**15 900**
V. Comprehensive income for the period	80 443	68 675	18 988	15 963
VI. Net cash flows from operating activities	26 823	61 682	6 331	14 337
VII. Net cash flows from investing activities	51 191	25 670	12 083	5 967
VIII. Net cash flows from financial activities	(73 353)	(76 259)	(17 315)	(17 726)
IX. Total net cash flows	4 661	11 093	1 100	2 578
X. Total assets	**855 617**	**857 328**	**200 416**	**200 352**
XI. Liabilities and provisions for liabilities	522 081	561 801	122 290	131 290
XII. Long-term liabilities	379 332	425 701	88 853	99 484
XIII. Short-term liabilities	142 749	136 100	33 437	31 806
XIV. Equity	**333 536**	**295 527**	**78 126**	**69 063**
XV. Share capital	12 618	12 618	2 956	2 949
XVI. Number of shares / weighted average number of shares (components)	12 617 778	12 617 778	12 617 778	12 617 778
XVII. Earnings per ordinary share (in PLN / EUR)	6.37	5.42	1.50	1.26
XVIII. Diluted earnings per ordinary share (in PLN / EUR)	6.37	5.42	1.50	1.26
XIX. Carrying amount per share (in PLN / EUR)	26.43	23.42	6.19	5.47
XX. Diluted carrying amount per share in PLN/EUR	26.43	23.42	6.19	5.47
XXI. Declared or paid dividend per share attributable to shareholders of the parent company (in PLN/EUR)	3.00	3.17	0.70	0.74

The Euro exchange rates applied for conversion of the financial statements:

	9 months of 2025	9 months of 2024
Particular components of the condensed statement of comprehensive income were translated at the average EURO exchange rate in the period	4.2365	4.3022
	as at 30 September 2025	as at 30 September 2024
Particular components of the financial position statement were translated at the EURO exchange rate at the end of the period	4.2692	4.2791

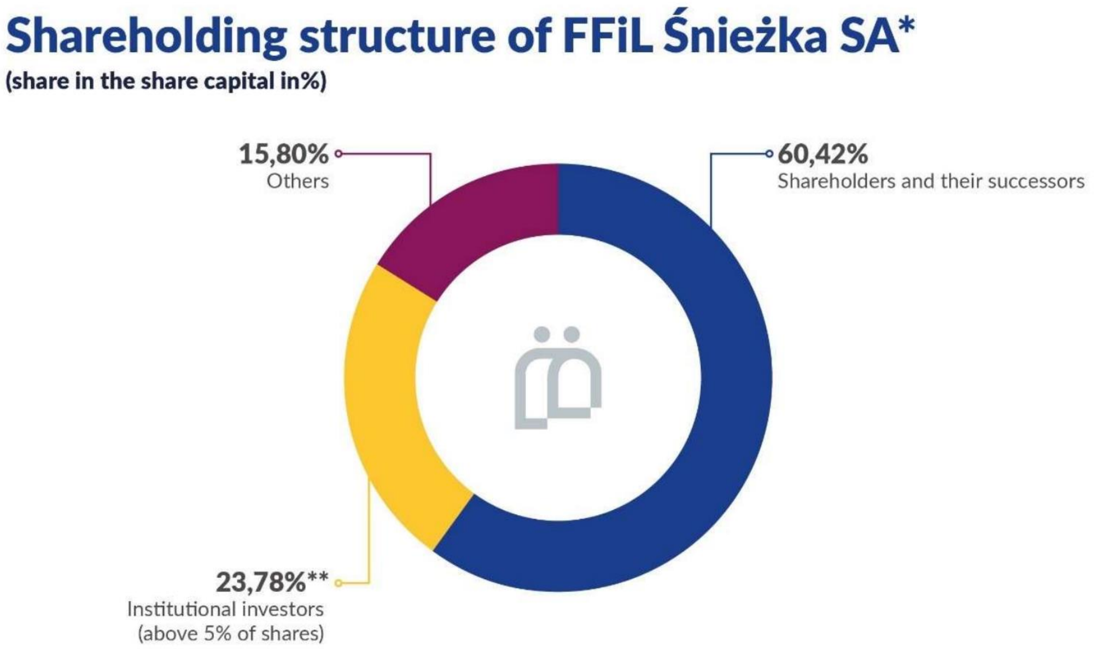
3. THE COMPANY AND THE ŚNIEŻKA GROUP

The Śnieżka Group, whose history dates back to 1984, is one of the leaders in the market of decorative paints and construction chemicals in Poland. The Group also operates actively on several foreign markets. In Hungary, it is a significant player in the decorative paints segment, and in Ukraine it is one of the dominant entities in the production of paints and putties. It is one of the 25 largest paint manufacturers in Europe (according to European Coatings 2025). In 2025, FFiL Śnieżka SA - the parent company of the Śnieżka Group - was awarded the EcoVadis Silver Medal, which places it among the top 6% of companies subject to certification as far as the sustainable development is concerned.

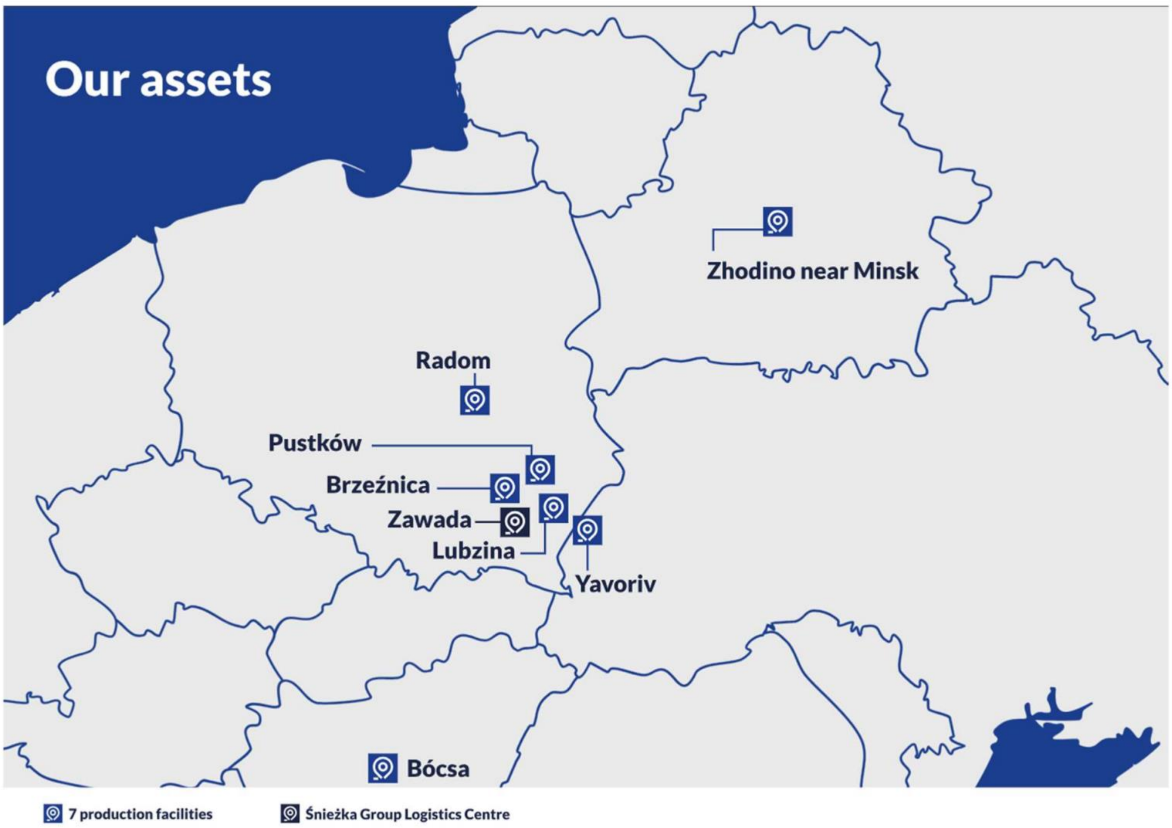
At the end of Q3 2025, the Group employed 1,121 employees. The production facilities located in four countries manufacture on an annual basis over 130 million kg of products for decoration and protection of various types of substrates. The key brands of the Śnieżka Group are as follows: Śnieżka, Magnat, Poli-Farbe, Vidaron, Rafil and Foveo-Tech. he Logistics Centre, operated by the Group, represents the most significant investment undertaken in the Company's history and is among its key assets.

The Group is comprised of: the parent company Fabryka Farb i Lakierów Śnieżka SA - whose shares have been listed on the Warsaw Stock Exchange since 2003 - and its subsidiaries in Poland and abroad. The shareholder structure of FFiL Śnieżka SA is dominated by its founders and their successors, who control over 60% of the votes at the general meeting. Since its debut on the stock exchange, the Company has regularly paid dividends to its shareholders from the generated profits, the total value of which, calculated since 2003, is PLN 582.1 million.

Figure 1. Shareholding structure of FFiL Śnieżka SA



** Data as at 19.11.2025*
*** PTE Allianz Polska: 14.39%; PTE Nationale – Nederlanden: 9.39%*



Key markets

Key brands of the Group

The Group's plants are located in Poland, Ukraine, Hungary and Belarus. Foreign export markets include Armenia, the Czech Republic, Georgia, Kazakhstan, Lithuania, Moldova, Romania, Serbia, and Slovakia.

The Group entities are related by shares and have roles defined within the competence centre structure. Comprehensive organization, responsible management of resources contributes to efficient operation of the Group as well as higher profits for the shareholders. The cooperation involves mutually complementary activities, exchange of know-how and synergistic benefits. FFIL Śnieżka SA plays a leading role in these processes.

The key areas for the Group are developed at the level of two companies, i.e. FFiL Śnieżka SA and Śnieżka Trade of Colours Sp. z o.o. (Śnieżka ToC). FFIL Śnieżka SA, as the parent company, performs control functions in the supervisory bodies of the subsidiaries. In addition, it establishes a development strategy and coordinates the development of the entire Group in all aspects of its operations. It is also a competence centre in the field of Supply Chain Management, R&D, Quality Assurance, and also serves as a shared services centre. In turn, Śnieżka ToC develops competences in the field of: Sales and Marketing. The both companies coordinate the activities of individual Group companies in the areas of their competence. All transactions concluded by the Company and its subsidiaries with related entities are performed at arm's length. This means that they are agreed as if they were negotiated by unrelated parties. These transactions are consistent with applicable laws in Poland, European Union regulations and the regulations of the countries where the subsidiaries are located. Additionally, the marketability of transactions is verified on an annual basis.

Figure 1. The Śnieżka Group's structure (as at 30.09.2025)

In Q3 of 2025 the Śnieżka Group's structure was not subject to any changes.

In the period from the end of Q3 to the date of publication of this Report, a change occurred in the structure of the Śnieżka Group in the form of the acquisition of 35,511 shares of Radomska Fabryka Farb i Lakierów SA by FFiL Śnieżka SA. FFiL Śnieżka SA now holds a total of 95.01% of the shares in Radomska Fabryka Farb i Lakierów SA.

The subsidiaries of FFiL Śnieżka SA (i.e. Poli-Farbe Vegyipari Kft., Śnieżka-Ukraina Sp. z o.o., Śnieżka-BelPol Sp. z o.o., Śnieżka Trade of Colours Sp. z o.o., and Radomska Fabryka Farb i Lakierów SA) are consolidated using the full consolidation method.

The Group's cooperation with equity-related entities also includes Plastbud Sp. z o.o. (consolidated using the equity method), which manufactures Colorex tinting pastes and colorants for tinting systems. Plastbud Sp. z o.o. is also a supplier of certain raw materials and goods to the Group.

Shares and shareholding structure

As at September 30, 2025, FFIL ŚNIEŻKA SA's share capital was comprised of 12,617,778 shares of nominal value of PLN 1.00 each.

In Q3 of 2025 the Company's share capital was not subject to change.

The Company’s share capital consists of the following series of shares:

- series A preferred registered shares - 100,000
- series B preferred registered shares - 400,000
- series C,D,E,F ordinary shares - 12,117,778

Series A and B registered shares are preferential for vote so that one share corresponds to 5 votes at the general meeting.

In addition, according to the Company's Articles of Association - series A shares entitle to elect three members of the supervisory board, including the chairman of the supervisory board, in a manner that every 30,000 shares entitle to appoint one member of the supervisory board, including the chairman of the supervisory board. If that preference expires over some series A registered shares, each remaining 20 000 series A shares give entitlement to indicate one supervisory board member, including the chairman of the supervisory board.

As at the Report publication date, the holders of series A and B shares were:

Table 1. The holders of series A and B shares as at 19 November 2025

Holders of series A shares	The number of shares held (items)
Stanisław Cymbor	33,334
Jerzy Pater	33,333
Piotr Mikrut	16,667
Rafał Mikrut	16,666
Holders of series B shares	**The number of shares held (items)**
Stanisław Cymbor	133,333
Jerzy Pater	133,334
Piotr Mikrut	133,333

Shares of all series are equally preferred as to dividends and return on equity.

No restrictions on the exercise of voting rights prevail at FFiL Śnieżka SA.

Restrictions regarding the transfer of ownership of the Company's securities concern holders of preferred registered shares of FFiL Śnieżka SA. The transfer of preferred registered shares under any legal title or their conversion into bearer shares requires prior submission of purchase offer to all shareholders holding series A shares by a shareholder interested in transferring or converting into a bearer share. The decision to issue or redeem shares requires the consent of shareholders at the general meeting of the Company.

The Company did not have employee share schemes in Q3 of 2025.

Company’s shares held by managing and supervising persons

As at the Report publication date the Company's shares held by the managing and supervising persons were as follows:

Financial data in PLN ‘000

Table 2 The Company's shares held by the managing and supervising persons as at 19 November 2025

Managing persons	The number of shares held (items)
Piotr Mikrut	1,270,833
Witold Waśko	198
Supervising persons	**The number of shares held (items)**
Stanisław Cymbor	2,541,667
Jerzy Pater	2,541,667
Rafał Mikrut	1,270,833

In the period from the date of publication of the last periodical report (for H1 of 2025) i.e. published on September 17, 2025, no changes in the ownership of the Company's shares by the managing and supervising persons occurred.

Ownership structure of significant blocks of shares of the Company

As at the date of publication of the Report, significant shareholders of FFiL Śnieżka SA, holding at least 5% of the total number of votes at the General Meeting of the Company were the following persons and entities:

Table 3. Shareholders of FFiL Śnieżka SA holding at least 5% of the total number of votes at the AGM as at 19 November 2025

	The number of shares held (items)	Share in the share capital (in %)	Number of votes	Share in the total number of votes at AGM (in %)
Jerzy Pater *	2,541,667	20.14	3,208,335	21.95
	including directly 166,667	1.32	833,335	5.7
Stanisław Cymbor **	2,541,667	20.14	3,208,335	21.95
	including directly 166,667	1.32	833,335	5.7
Piotr Mikrut	1,270,833	10.07	1,870,833	12.8
Rafał Mikrut	1,270,833	10.07	1,337,497	9.15
Powszechne Towarzystwo Emerytalne Allianz Polska	1,816,307	14.39	1,816,307	12.43
Powszechne Towarzystwo Emerytalne Nationale-Nederlanden	1,185,323	9.39	1,185,323	8.11

**Jerzy Pater holds the Company's shares indirectly by PPHU Elżbieta i Jerzy Pater Sp. z o.o. (PPHU Elżbieta i Jerzy Pater Sp. z o.o. holds 2,375,000 shares, i.e. 18.82% share in the share capital and 16.25% in the total votes at the Annual General Meeting of Shareholders).*

*** Stanisław Cymbor holds the Company's shares indirectly by voting control over Iwona i Stanisław Cymbor Fundacja Rodzinna, which holds 100% of the shares in the share capital of PPHU Iwona i Stanisław Cymbor Sp. z o.o. holding 2,375,000 shares of the issuer, which represents 18.82% of the share capital and 16.25% of the total number of votes at the General Meeting of Shareholders).*

Financial data in PLN '000

In the period from the date of publication of the last periodic report - i.e. the report for H1 2025 - based on information available to the Company, no changes in the significant block of shares issued by the Company occurred. The last change communicated by the Company in the Annual Report concerned a change in the scope of significant blocks issued by it and consisted in the indirect exceeding of the 15% threshold in the total number of votes in the Company by the family foundation Iwona i Stanisław Cymbor Fundacja Rodzinna with its registered office in Nagawczyna (hereinafter referred to as the "Foundation"), which, based on donation agreements concluded on February 28, 2025 (hereinafter referred to as the "Transaction"), acquired 100% of shares in the share capital of PPHU Iwona i Stanisław Cymbor Sp. z o.o. holding 2,375,000 shares in the Company.

At the same time, it should be noted that the dominant entity in relation to the Foundation (directly) and PPHU Iwona i Stanisław Cymbor Sp. z o.o. (indirectly) is Stanisław Cymbor. As a result of the Transaction, there has been no change in the number of shares in the share capital of the Company or in the number of votes that Mr. Stanisław Cymbor holds directly or indirectly (i.e. through the Foundation and its subsidiary, i.e. PPHU Iwona i Stanisław Cymbor Sp. z o.o.), as presented in Table No. 3 above.

Figure 2. Shareholding structure of FFiL Śnieżka SA:
share in the share capital (as at 19.11.2025, data in %)

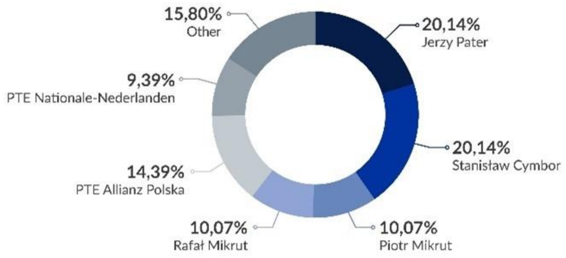
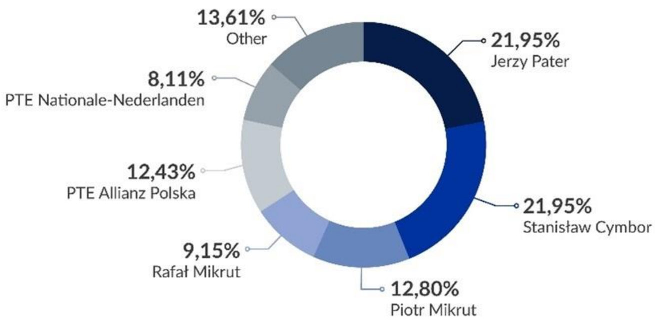


Figure 3. Shareholding structure of FFiL Śnieżka SA:
share in the total number of votes (as at 19.11.2025, data in %)



Management Board and Supervisory Board

Management Board

Members of the Management Board of FFiL Śnieżka SA in Q3 of 2025 were composed of:

- Piotr Mikrut - Chief Executive Officer
- Joanna Wróbel-Lipa - Vice President of the Management Board, Chief Commercial Officer
- Witold Waśko - Vice President of the Management Board, Chief Financial Officer
- Zdzisław Czerwiec - Vice President of the Management Board, Chief Supply Chain Officer
- Dawid Trojan - Vice President of the Management Board, Marketing Director

The Management Board composed of: Piotr Mikrut, Witold Waśko, Joanna Wróbel-Lipa and Zdzisław Czerwiec was appointed on April 27, 2023. On December 17, 2024 the Supervisory Board appointed Mr. Dawid Trojan as a member of the Śnieżka's Management Board from January 1, 2025 for the duration of the 9th term of office. Detailed information on the members of the ninth term of office was included by the Company in the current report no. 12/2023 and 10/2024.

Supervisory Board

In Q3 of 2025, the Supervisory Board of the ninth term of office was composed of:

- Jerzy Pater - Chairman of the Supervisory Board
- Stanisław Cymbor - Vice-Chairman of the Supervisory Board
- Rafał Mikrut - Secretary of the Supervisory Board
- Anna Sobocka - Member of the Supervisory Board
- Zbigniew Łapiński - Member of the Supervisory Board
- Dariusz Orłowski - Member of the Supervisory Board
- Piotr Kaczmarek - Member of the Supervisory Board

The above Supervisory Board was appointed at the Ordinary General Meeting held on May 31, 2022 and its composition was supplemented on April 27, 2023. Detailed information on the members of the Supervisory Board of the ninth term of office was included by the Company in the current report no. 14/2022 and 11/2023.

4. COMMENT TO THE PERFORMANCE

4.1 MARKET AND BUSINESS ENVIRONMENT

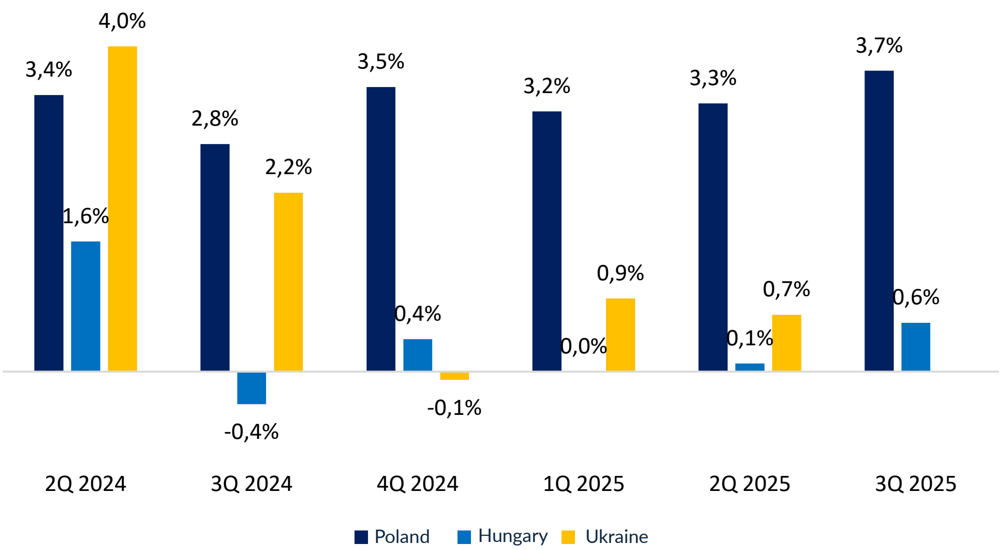
Macroeconomic situation

The European Commission's Autumn Economic Forecast highlights higher-than-expected economic growth in the EU, projected at 1.4% in 2025 (compared with the 1.1% forecast in the spring). Among the main reasons for the upward revision, analysts point to an increase in exports—recorded ahead of the anticipated tariff hikes—as well as stronger than anticipated investment in equipment and intangible assets. According to the European Commission, the key conditions for an increase in economic activity remain in place, despite the challenging external environment and on-going uncertainty[1].

The European Commission's forecasts indicate that inflation in the euro area is to reach 2.1% in 2025, while the EU as a whole is expected to end the year with an inflation rate of 2.5% In September of the current year, the actual readings were close to these projections (euro area: 2.2%; EU: 2.6%). According to the European Commission's forecasts for 2026, inflation is expected to continue declining (euro area: 1.9%; EU: 2.1%).

In its autumn projection, the European Central Bank (ECB) experts indicate that economic activity fluctuated significantly in H1 of 2025 due to trade tariffs and the uncertainty associated with them. The easing of these factors and the conclusion of a new trade agreement between the US and the EU imply higher tariffs on exports from the euro area to the United States; however, this has simultaneously helped to reduce uncertainty regarding trade policy. The average annual real GDP growth in the euro area is projected to reach 1.2% in 2025, 1.0% in 2026 and 1.3% in 2027. Compared with the ECB experts' June 2025 macroeconomic projections, the GDP growth outlook for 2025 has been revised upward by 0.3 %. The experts also forecast that headline inflation, measured by the Harmonised Index of Consumer Prices (HICP), will hover around 2% by the end of 2025, decline to 1.7% in 2026, and then rise to 1.9% in 2027[2].

Figure 4. Year-on-year GDP growth for the Group's key markets on a quarterly basis (%)[3]



Poland

[1] Source: European Commission, Autumn 2025 Economic Forecast, November 2025
[2] Source: European Central Bank, ECB staff macroeconomic projections for the euro area, September 2025.
[3] Source: Central Statistical Office, Hungarian Central Statistical Office, State Statistics Service of Ukraine* (data on GDP in the third quarter of 2025 were not available on the date of publication of the Report).

According to the flash estimate published by Statistics Poland (GUS), Poland's GDP increased by 3.7% year on year in Q3 of 2025[4]. In its November projection of inflation and GDP, the National Bank of Poland (NBP) forecasts GDP growth of 3.4% in 2025[5].

At its meeting held in November of the current year, the Monetary Policy Council cut interest rates by 0.25 % (the fifth reduction since April). The reference rate currently stands at 4.50%.

Industrial output sold in July, August and September of the current year was higher by 3.0%, 0.7% and 7.4% year on year, respectively. In Q3 of the current year, industrial output went up by 5.5% y/y.

In the same period, construction and assembly output was 0.8% lower year on year. Construction and assembly output in the "building construction" category declined by 7.1% in the first nine months of 2025 compared with the corresponding period of the previous year[6].

During the first three quarters of 2025, 144.4 thousand new apartments were commissioned, i.e. by 0.4% less than a year before. Fewer construction projects were also commenced and fewer building permits were issued than in the corresponding period of 2024: a decrease of 8.5% y/y (166 thousand) and 13.4% y/y (191 thousand), respectively[7].

The consumer price index (CPI) inflation rate amounted to 4.0% in the first three quarters of 2025 (with CPI inflation standing at 2.9% in September alone). According to Statistics Poland (GUS), during the first nine months of the current year the strongest price increases were recorded in the categories: housing and energy carriers (+8.4%), education (+8.1%), and restaurants and hotels (+6.0%)[8]. According to the NBP's inflation projection, it is anticipated to rise in the coming quarters. The NBP's projections assume a CPI inflation rate of 3.7% for the entire year of 2025[9].

In July, August and September 2025, the registered unemployment rate in Poland stood at 5.4%, 5.5% and 5.6%, respectively, representing a slight increase compared with the levels recorded in the corresponding months of 2024 (5%)[10]. In September 2025, average employment in the enterprise sector was slightly lower than in September 2024 (-0.8% y/y). The average salary in the enterprise sector in September increased to PLN 8,750 which translates into an increase by 7.5% y/y.

The general business climate indicator for the manufacturing and construction sectors in September 2025 remained negative, at the level of -8.1 and -3.9, respectively[11]. Whereas, the PMI reading (Purchasing Managers' Index) for the industrial sector in September 2025 amounted to 48 points. This is a lower result compared with September of the previous year (48.6 points). Since the beginning of 2025, the PMI index has fluctuated between 44.8 and 50.7 points[12].

In the June publication of the World Bank on economic growth forecasts, Poland's GDP growth for 2025 was estimated at 3.2%[13]. The European Commission analysts estimate that GDP growth in the given period is to amount to 3.2%, with inflation at 3.4%[14]. The International Monetary Fund, in the October update to its forecasts, estimated that Poland's GDP is to grow at a rate of 3.2% in 2025, with average annual inflation at 3.8%[15].

[4] Source: Central Statistical Office, Flash estimate of gross domestic product for Q3 2025, November 2025.
[5] Source: NBP, Inflation and GDP projection – November 2025, November 2025
[6] Source: Central Statistical Office, Socio-economic situation of the country – Q3 2025 – unless otherwise indicated.
[7] Source: Central Statistical Office, Residential construction in the period January-September 2025, October 2025.
[8] Source: Central Statistical Office, Price indices of consumer goods and services in September 2025, October 2025.
[9] Source: NBP, Inflation and GDP projection – November 2025, November 2025
[10] Source: Central Statistical Office, Registered unemployment rate in 1990-2025, October 2025.
[11] Source: Central Statistical Office, Economic situation in industrial processing, construction, trade and services 2000-2025 (September 2025), October 2025.
[12] Source: PMI by S&P Global, S&P Global Poland Manufacturing PMI, October 2025
[13] Source: World Bank, Global Economic Prospects, October 2025
[14] Source: European Commission, Autumn 2025 Economic Forecast, November 2025
[15] Source: International Monetary Fund, World Economic Outlook Database, October 2025

Hungary

In the third quarter of 2025, according to the flash estimate published by the Hungarian Central Statistical Office (KSH), Hungary's GDP growth accelerated to 0.6% year on year[16]. The forecasts of the National Bank of Hungary (MNB) indicate that Hungary's GDP will grow by 0.6% year on year in 2025 as a whole, marking another downward revision from the March 2025 projection of 1.9–2.9%.

In the first three quarters of 2025, inflation in Hungary was 4.6% and in September alone it was 4.3%. The September Inflation Report of the National Bank of Hungary (MNB) forecasts that inflation in Hungary is to reach 4.6% for the entire year. The Hungarian Central Bank, in its report, indicated that inflation will return to its target (3.0% with a symmetric tolerance band of +/-1 %) in 2026[17].

In August of this year the volume of construction production plummeted by 15.2% compared to August 2024, and in the January-August period it fell by 1.3% y/y. In the first three quarters of 2025, 19,947 building permits were issued for new apartments, which represents a boost by 37.1% y/y. At the same time, industrial production went up by 1.3% y/y in September. However, in the January–September period it contracted by 3.4% compared to the corresponding period of the previous year.

The unemployment rate in September 2025 stood at 4.5%, remaining at the same level as in September 2024. In August 2025, the average gross earnings in Hungary amounted to 683 300 HUF (about PLN 7,483), which translates into an increase in remuneration by 8.7% y/y[18].

The International Monetary Fund's (IMF) analyses of GDP forecast a 0.6% increase in 2025, along with inflation at 4.1%[19]. The European Commission, in turn, estimates that the Hungarian economy is to grow by 0.4%, with inflation at 4.5%[20].

Ukraine

According to the State Statistics Service of Ukraine (SSSU), Ukraine's GDP in Q2 of 2025 increased by 0.7% (compared to 2.9% for the entire year 2024)[21]. In July 2025, CPI inflation amounted to 14.1%, in August to 13.2%, and in September to 11.9%[22]. In 2025, the NBU's policy rate changed twice and at the end of Q3 stood at 15.5% (compared with 15.5% at the end of March 2025)[23]. According to the NBU, nominal wages increased by 19,4% in Q3 of 2025 (compared with 21.7% in Q2 of 2025). Unemployment at the end of 2024 stood at 13.1% (NBU estimates that in 2025 it is to reach 11.3%)[24].

In Q2 of 2025, 23.1 thousand new dwellings were completed (-21.7% year on year), while construction began on 26.3 thousand units (+34.4% year on year)[25]. The World Bank forecasts that Ukraine's economic growth is to slow to 2.0% in 2025. The forecast is based on the assumption that the war will last the entire year[26]. The IMF predicts a real GDP growth by 2.0%, while predicting that inflation will reach 12.6%[27]. The European Commission, in turn, estimates that the Ukrainian GDP is to grow by 1.6%, with inflation at 13.3%[28].

From February 24, 2022 until the date of publication of the report, the data of the Ukrainian statistical office on average wages and unemployment rate were not published.

[16] Source: Hungarian Central Statistical Office (KSH) – unless otherwise indicated.
[17] Source: Magyar Nemzeti Bank, Inflation Report, November 2025
[18] Source: Hungarian Central Statistical Office (KSH), Earnings, October 2025
[19] Source: International Monetary Fund, World Economic Outlook, October 2025
[20] Source: European Commission, Autumn 2025 Economic Forecast for Hungary, November 2025
[21] Source: National Bank of Ukraine (NBU), Inflation report – October 2025, November 2025
[22] Source: State Statistics Service of Ukraine (SSSU), Consumer prices indices, October 2025.
[23] Source: National Bank of Ukraine (NBU), NBU Key Policy Rate, October 2025.
[24] Source: National Bank of Ukraine (NBU), Inflation report – October 2025, November 2025
[25] Source: State Statistics Service of Ukraine (SSSU), Start and completion of construction indicators, October 2025.
[26] Source: World Bank, Global Economic Prospects, October 2025
[27] Source: International Monetary Fund, World Economic Outlook, October 2025
[28] Source: European Commission, Autumn 2025 Economic Forecast, November 2025

Market of decorative paints and construction chemicals

The main markets where the Śnieżka Group operated in Q3 of 2025 were as follows: Poland, Hungary and Ukraine. In these three markets, the Group generated approx. 96,1% of sales revenue in the reporting period.

Poland

According to the Group's estimates, the decorative paints market in Poland recorded a decline in both value and volume terms in the first three quarters of 2025 as well as in the third quarter alone (a single-digit, year-on-year decrease in percentage terms).

According to the Group's assessment, the condition of the industry has not changed fundamentally since the first quarter of this year. Among the main factors shaping this situation are: a slower increase in consumers' real purchasing power compared with the previous year, constrained by high—albeit gradually easing—interest rates; uncertainty stemming from the broader geopolitical environment (in particular the war in Ukraine); and the fact that the Group's products are not essential goods[29].

The economic situation on the Polish market of paints and agents for wood protection and decoration is also dependent on the consumer sentiment. The average value of the Current Consumer Confidence Indicator (BWUK) in Q3 of the current year remained at a moderate level (-11.5), although the September reading (-8.3) was the highest in 5 years[30]. The Leading Consumer Confidence Indicator (WWUK) was slightly above the BWUK Indicator, demonstrating that consumers expressed greater optimism when thinking about the next 12 months (Q2 2025: -6.1)[31]. According to the Group's internal data, as in previous years, more than 80% of decorative paints were used primarily for apartment renovations or refurbishments[32], while—according to the Group's estimates—the decision to purchase them was less frequently associated with the finishing of new apartments.

Consumers are looking for high-quality products with good coverage and easy application.

In Q3 of 2025, no changes occurred among the main players on the Polish market of decorative paints and construction chemicals. The entities holding the largest shares in the Polish decorative paints market currently include: the Śnieżka Group companies, PPG Deco Polska, and AkzoNobel Polska. According to the Company's estimates, their share in the total sales of decorative products in Poland is over 80%.

The entities currently holding the largest shares in the Polish construction chemicals market include: Atlas Group, Baumit, Henkel, Knauf Group, Kreisel, Mapei and Saint-Gobain Group. According to the Company's estimates, their share in the sales of construction chemicals in Poland accounts for approximately 50%.

Hungary

According to the Group's estimates, the decorative paints market in Hungary in Q3 of 2025 continued to struggle with the hardships that took place last year. In the absence of a clear demand impulse and with average macroeconomic indicators, sales volume remains at a level similar to last year.

The main factors influencing the economic situation in the industry, in the Group's opinion, have changed slightly compared with Q2 this year. The most important factors include: slower than expected economic growth, low level of consumer confidence[33], weaker-than-anticipated real wage growth, and interest rates that remain elevated (6.5%)[34].

[29] Source: Central Statistical Office, Socio-economic situation of the country, 2025
[30] Source: Central Statistical Office, Consumer sentiment – October 2025
[31] Ibidiem.
[32] Source: Group internal research.
[33] Source: GKI Economic Research Co., Economic sentiment index, October 2025
[34] Source: Magyar Nemzeti Bank, Base rate history, October 2025

In the reporting period, the largest entities operating on the Hungarian market were as follows: Poli-Farbe (part of the Śnieżka Group), PPG Trilak and AkzoNobel Coatings. Their total share on the above market is estimated at approx. 75% in value terms.

Ukraine

According to the Group's estimates, the Ukrainian paints and varnishes market in Q3 2025 continued to face difficulties that have persisted for several years and are directly related to the on-going armed conflict. In the Management Board's assessment, the volume of sales remained slightly above the levels recorded in the corresponding period of the previous year.

In the Group's assessment, Q3 of 2025 did not differ materially from Q2 of the current year. The situation on the paints and varnishes market remains complicated due to: an increase in the prices of basic goods and electricity[35]; the UAH currency devaluation[36]; a decrease in the purchasing power of consumers[37]; and continuing regulations on military mobilization, which had a direct impact on the activities of enterprises and purchasing activity. Another important factor is the operation of enterprises in a high-risk zone for missile attacks.

The biggest players in the production of decorative paints on the Ukrainian market are as follows: Śnieżka-Ukraina, Tikkurila, Meffert Hansa Farben, Henkel, ZIP, DAW, Eskaro, Feidal, Polisan, Olejníkov.

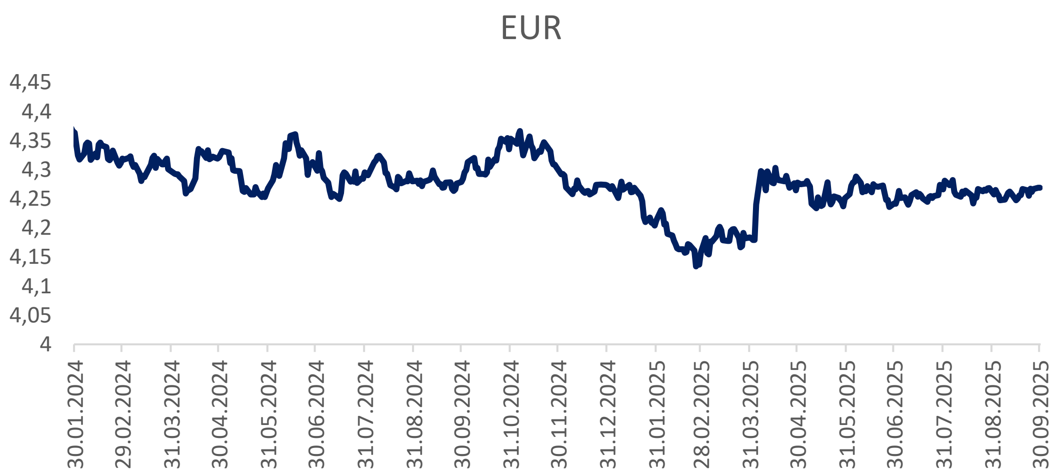
Changes in the exchange rates of the Group's key currencies

At the end of Q3 of 2025, PLN strengthened against EUR and USD compared to the end of 2024. As far as the USD/PLN exchange rate is concerned, a noticeably stronger appreciation impulse (11.45%) can be observed than in the case of the EUR/PLN appreciation (0.09%).

During the first nine months of 2025, the EUR/PLN exchange rate fluctuated between 4.1339 and 4.3033. The average NBP EUR/PLN exchange rate in the period under review was 4.2408, while in the corresponding period of the previous year the average rate amounted to 4.3063, representing a year-on-year decline in the current quotation of 0.0655 PLN (−1.5%).

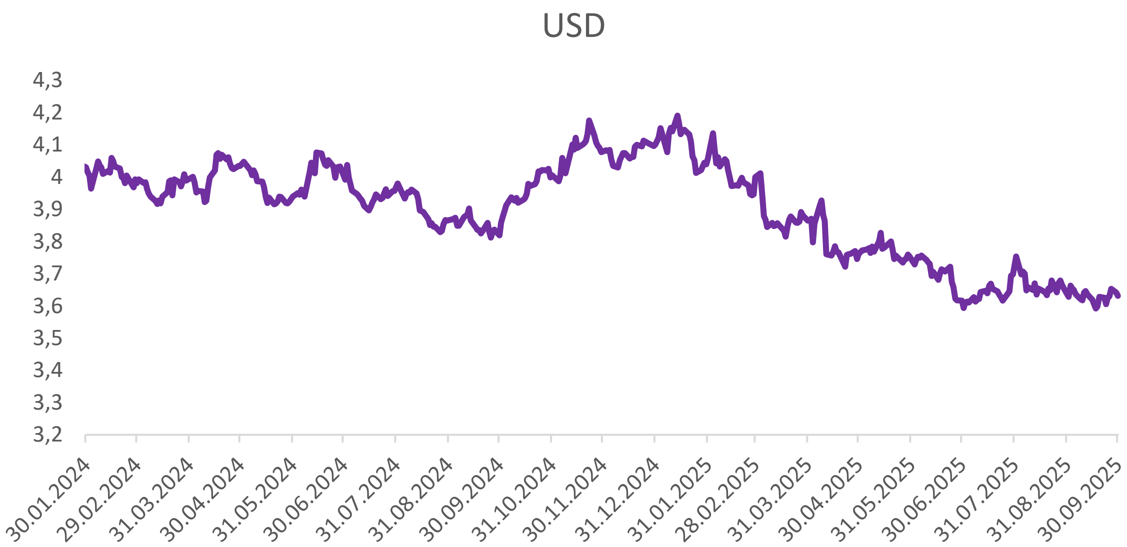
During the first nine months of 2025, the USD/PLN exchange rate fluctuated between 3.5919 and 4.1904. The average NBP USD/PLN exchange rate in this period was 3.7967, while in the corresponding period of the previous year the average rate amounted to 3.9619, representing a year-on-year decline in the current quotation of 0.1653 PLN (−4.17%).

Figure 5. EUR quotations against PLN, source: NBP



[35] Source: State Statistics Service of Ukraine (SSSU), Consumer price indices for goods and services in 2025, October 2025.
[36] Source: National Bank of Ukraine (NBU), Official Exchange Rates, October 2025
[37] Source: National Bank of Ukraine (NBU), NBU Key Policy Rate, October 2025

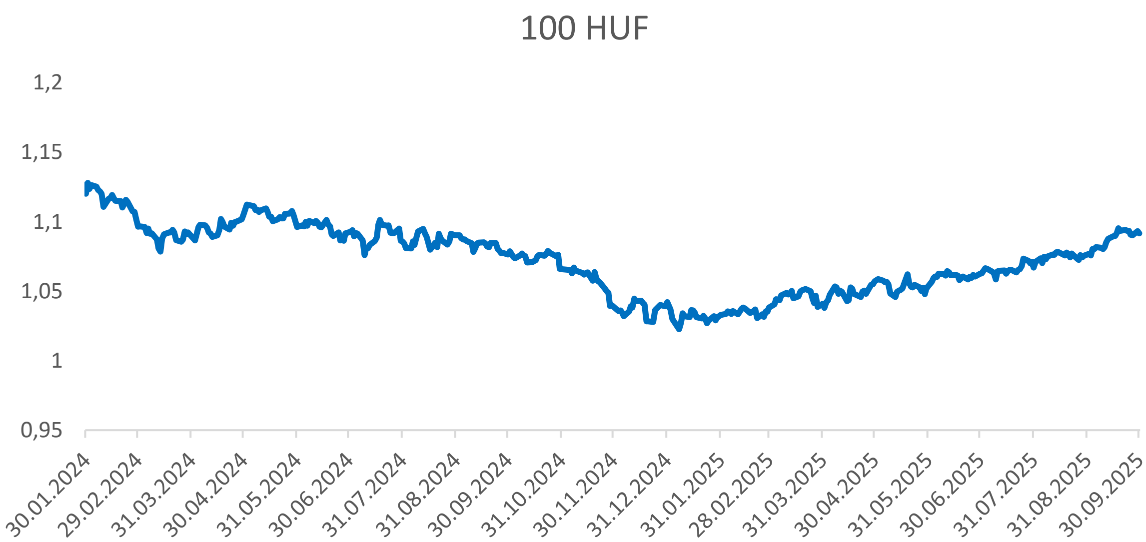
Figure 6. USD quotations against PLN, source: NBP



The valuation of PLN during the reporting period was determined, among other factors, by transatlantic trade tariff policies, the consequences of the wars in Ukraine and the Middle East, inflation, the monetary policies of major central banks, and the issue of EU aid funds.

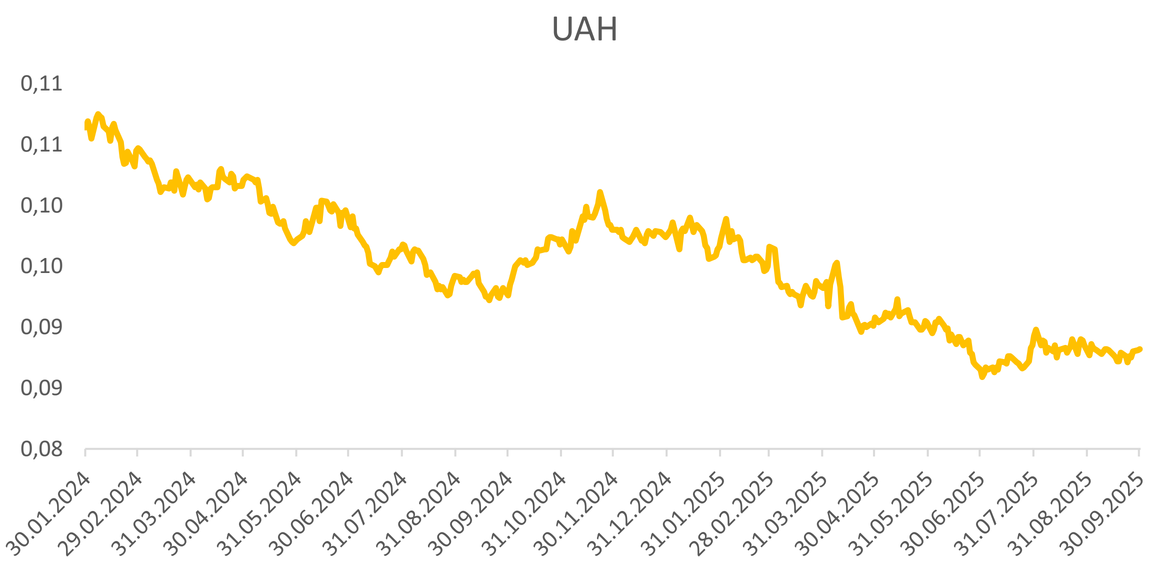
At the end of Q3 of 2025, PLN depreciated against HUF by 4.74% compared with the end of 2024. During the first nine months of 2025, the 100 HUF/PLN exchange rate fluctuated between 1.0226 and 1.0953; the average NBP 100 HUF/PLN exchange rate in this period was 1.0562, while in the same period of the previous year the average value amounted to 1.1006, which represents a decrease in the current quote (y/y) by approximately PLN -0.0444 (-4.04%).

Figure 7. HUF quotations against PLN, source: NBP



At the end of Q3 of 2025, PLN strengthened against UAH by 9.63% compared to the end of 2024. During the first nine months of 2025, the UAH/PLN exchange rate fluctuated between 0.0859 and 0.0990; the average NBP UAH/PLN exchange rate in this period was 0.0913, while in the same period of the previous year the average value amounted to 0.0998, which represents a decrease in the current quote (y/y) by approximately PLN 0.0085 (-8.56%).

Figure 8. UAH quotations against PLN, source: NBP



The policy applied by the Group when converting components expressed in foreign currencies is described in the Consolidated Financial Statements of the Śnieżka Group for 2024 in point 2.4.6 *Conversion of items expressed in foreign currencies.* In accordance with the policy, the Group adopted the closing exchange rate for UAH to PLN set by the National Bank of Poland on 29 September 2025, i.e. 1 UAH = 0.0881 PLN.

Raw materials

The first three quarters of 2025 were characterized by a stabilization or occasionally a slight increase in the prices of raw materials used in the production of paints and varnishes. In the reporting period, this increase occurred in certain groups of raw materials, such as metal packaging, solvent resins, and dolomite fillers. As regards the availability of raw materials and packaging, the situation improved significantly, occasional restrictions on access to certain purchase components did not affect the continuity of production by the Śnieżka Group companies. In addition, the operation of supply chains in Europe and worldwide improved. In the period between January and September of 2025, no other significant events or threats in the area of procurement took place that would have a significant impact on ensuring the continuity of supplies of raw materials.

4.2 SALES PERFORMANCE

In the period January–September 2025, the Śnieżka Group generated sales revenue of PLN 634,684 thousand, which was 2.0% lower (PLN 12,996 thousand) compared with the corresponding period of the previous year. In Poland, the Group's largest market, a slight increase in sales of 0.5% year on year was recorded. Sales declined by 3.9% year on year in Hungary, by 4.5% year on year in Ukraine, and by 26.4% year on year in other markets.

The Group's performance in the first three quarters of 2025 was also adversely affected by the unstable geopolitical environment, including the pending armed conflict in Ukraine and its effects on the entire region of Central and Eastern Europe, where the Group's key markets are located. Despite the gradually increasing purchasing power of consumers, market conditions in the industry in which the Group operates remained challenging in the period January–September of the current year.

Sales performance in the period under review in the Group's key markets (along with the main factors underlying it) was as follows:

Poland (73.6% share in the revenue structure)

Sales revenue generated by the Group on the Polish market amounted to PLN 466,811 thousand, representing an increase of 0.5% (PLN 2,200 thousand) compared with the corresponding period of the previous year.

The increase in sales value in Poland in the period January–September 2025 was achieved despite persistently weak demand for decorative products, which constitute the core of the Group's operations in this market.

Hungary (12.8% share in the revenue structure)

In Hungary, sales revenue generated by the Group amounted to PLN 81,416 thousand, representing a 3.9% decrease (PLN 3,334 thousand) compared with the previous year. In local currency terms, sales revenue on the Hungarian market declined by 0.9% year on year. The lower revenue in Hungary resulted from persistently unfavourable macroeconomic and geopolitical conditions, which continued to affect consumer sentiment and the business climate in the industry in which the Group operates.

Ukraine (9.7% share in the revenue structure)

In Ukraine, the Group generated sales revenue of PLN 61,604 thousand, which was 4.5% lower year on year (PLN 2,928 thousand). In local currency terms, revenue growth on the Ukrainian market was positive and amounted to 4.7% year on year. The Management Board emphasises that the situation on the Ukrainian market remains uncertain and challenging, and in its view, the results for the first three quarters of 2025 should not be regarded as a basis for forecasting the Group's performance in subsequent periods.

On other markets ("Other" segment), the Group generated sales revenue of PLN 24,853 thousand, i.e. by 26.4% lower than the year before.

The main reason for this significant decline is the sanctions imposed by the EU on Belarus during 2024, as a result of which the Group is prevented from conducting active trade on that market.

Total revenue generated by the Group on other foreign markets in the period January–September 2025 accounted for 3.9% of its overall revenue.

Table 4. Sales revenue of the Śnieżka Group by countries

	the period of 9 months ended as at 30 September 2025	Structure	the period of 9 months ended as at 30 September 2024	Change (y/y)
Poland	466 811	73.6%	464 611	0.5%
Hungary	81 416	12.8%	84 750	-3.9%
Ukraine	61 604	9.7%	64 532	-4.5%
Other	24 853	3.9%	33 787	-26.4%
Total sales	**634 684**	**100.0%**	**647 680**	**-2.0%**

Financial data in PLN '000

The Group's sales structure is dominated by decorative products. In the first nine months of 2025, the Group generated PLN 535,367 thousand from their sales, a result 1.2% lower than in the previous year (PLN 6,359 thousand).

Thus, decorative products accounted for 84.3% of the Group's total sales revenue, and their share in the sales structure was higher by 0.7% than the year before.

Construction chemicals ranked second in the sales structure, with a 10.4% share. The Group's sales revenue from products in this category amounted to PLN 66,046 thousand, representing a 2.9% year-on-year decrease.

Table 5 Sales revenue of the Śnieżka Group by product categories

	the period of 9 months ended as at 30 September 2025	Structure	the period of 9 months ended as at 30 September 2024	Change (y/y)
Decorative products	535 367	84.3%	541 726	-1.2%
Construction chemicals	66 046	10.4%	68 024	-2.9%
Industrial products	4 886	0.8%	5 371	-9.0%
Goods	23 072	3.6%	25 512	-9.6%
Other revenue	3 642	0.6%	4 372	-16.7%
Materials	1 671	0.3%	2 675	-37.5%
Total sales	**634 684**	**100.0%**	**647 680**	**-2.0%**

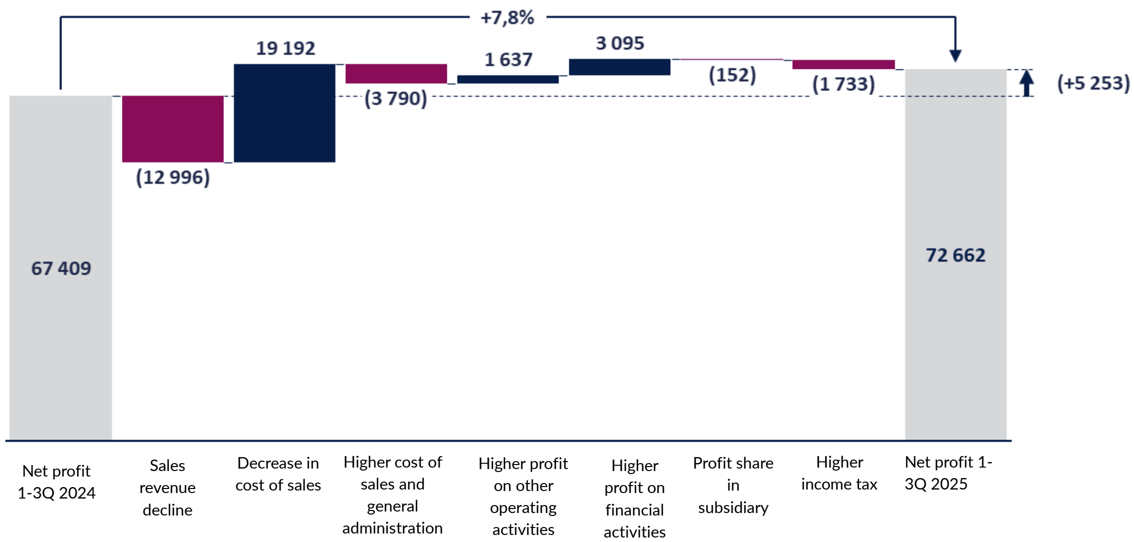
FFiL Śnieżka SA, the parent company of the Group, generated sales revenue of PLN 422,998 thousand in the first three quarters of 2025, i.e. by 1.8% lower than in the corresponding period of the previous year.

4.3. KEY FACTORS AFFECTING FINANCIAL PERFORMANCE

The Śnieżka Group

In the period January–September 2025, the Śnieżka Group generated consolidated net profit of PLN 72,662 thousand, which was 7.8% higher than in the corresponding period of the previous year.

Figure 9. The impact of individual items in the statement of comprehensive income on the Group's net profit



Financial data in PLN '000

The Group's net profit in the period January–September 2025 was driven primarily by:

- a decrease in sales revenue (−PLN 12,996 thousand), including higher sales performance on the Polish market (+0.5%) and lower performance on the Hungarian (−3.9%), Ukrainian (−4.5%) and other markets (−26.4%),
- a decrease in cost of sales of 5.8% (PLN 19,192 thousand),
- an increase in SG&A expenses (selling and general administrative expenses) of 1.7% (PLN 3,790 thousand),
- a negative result on other operating activities (−PLN 413 thousand), which was PLN 1,637 thousand better than in the corresponding period of the previous year, mainly due to proceeds from the sale of fixed assets,
- an improvement in the financial result of PLN 3,095 thousand, mainly driven by lower costs of servicing interest-bearing debt,
- higher income tax of PLN 1,733 thousand.

Table 6 Key components of the Śnieżka Group's statement of comprehensive income:

	the period of 9 months ended as at 30 September 2025	the period of 9 months ended as at 30 September 2024	Change (y/y)
Sales revenue	**634 684**	**647 680**	**-2.0%**
Cost of sales	310 377	329 569	-5.8%
SG&A expenses (selling and general administrative expenses)	221 466	217 676	1.7%
Result on other operating activities	(413)	(2 050)	-79.9%
Result on financial activities	(11 636)	(14 731)	-21.0%
Share in associate's profit	38	190	-80.0%
Gross profit	90 830	83 844	8.3%
Operating profit (EBIT)	102 428	98 385	4.1%
Operating profit plus depreciation and amortisation (EBITDA)	131 137	126 507	3.7%
Income tax	18 168	16 435	10.5%
Net profit, including:	**72 662**	**67 409**	**7.8%**
Profit attributable to shareholders of the parent company	69 941	64 643	8.2%

The Company did not publish financial forecasts for 2025, either on a consolidated or a standalone basis; however, on 26 March 2024, Current Report No. 2/2024 was released, presenting the strategic objectives of the Śnieżka Group.

The strategic objectives, to be achieved by 2028, include among others:

- achieving consolidated net revenue of PLN 1.1 billion,
- achieving a consolidated operating profit margin for the Śnieżka Group, increased by depreciation and amortisation (EBITDA margin), at the level of 18%,

Financial data in PLN '000

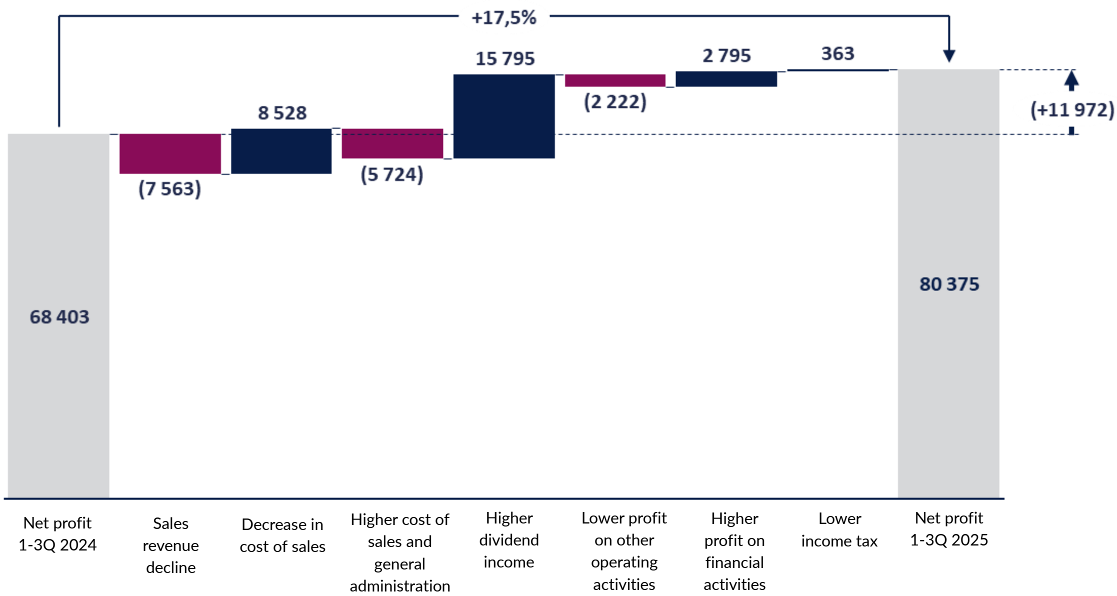
- higher than 20% share of the Group achieved in each of the key markets: Poland, Hungary and Ukraine.

Fabryka Farb i Lakierów Śnieżka SA

In the period January–September 2025, FFiL Śnieżka SA recorded a 1.8% decline in sales revenue compared with the corresponding period of the previous year.

The Company generated a net profit of PLN 80,375 thousand, which was PLN 11,972 thousand higher than in the corresponding period of the previous year.

Figure 10. Impact of individual components of the statement of comprehensive income on the net profit of FFiL Śnieżka SA



The Company's result for the period was primarily driven by:

- a 1.8% decrease in sales revenue to PLN 422,998 thousand,
- a decrease in cost of sales of PLN 8,528 thousand,
- an increase in SG&A expenses (selling and general administrative expenses) of 6.2%, i.e. by PLN 5,724 thousand,
- a higher amount of dividends received by the parent company from its subsidiaries, up by PLN 15,795 thousand, mainly due to changes in the regulations of the National Bank of Ukraine, which introduced the possibility of distributing dividends for 2023,
- a decrease in the result on other operating activities by PLN 2,222 thousand,
- a reduction in the loss on financial activities by PLN 2,795 thousand, mainly due to lower interest on bank loans and borrowings,
- a lower income tax by PLN 363 thousand.

Table 7 Key components of the statement of comprehensive income of FFiL Śnieżka SA

	the period of 9 months ended as at 30 September 2025	the period of 9 months ended as at 30 September 2024	Change (y/y)
Sales revenue	**422 998**	**430 561**	**-1.8%**
Cost of sales	279 236	287 764	-3.0%
Selling and general administrative expenses	97 492	91 768	6.2%
Dividend income	59 116	43 321	36.5%
Result on other operating activities	715	2 937	-75.7%
Result on financial activities	(19 935)	(22 730)	-12.3%
Gross profit	86 166	74 557	15.6%
Operating profit (EBIT)	106 101	97 287	9.1%
Operating profit plus depreciation and amortisation (EBITDA)	126 808	116 790	8.6%
Income tax	5 791	6 154	-5.9%
Net profit	**80 375**	**68 403**	**17.5%**

4.4 FINANCIAL POSITION

The Śnieżka Group

The level of the Group's balance sheet values is influenced by the phenomenon of seasonality related to the volatile intensity of renovation and construction works in particular periods of the year (described in more detail in sec. 4.7 of the Report).

Therefore, the values of such balance sheet items as: total assets, trade receivables and trade liabilities as at the end of September, as a rule, differ significantly from the values of these balance sheet items at the end of the previous year.

Due to the above, the Group decided to provide a commentary on the performance presenting the state of assets and liabilities after nine months of the year: as at September 30, 2025 and September 30, 2024.

Financial data in PLN '000

Table 8 The Śnieżka Group's assets

Group's assets	30.09.2025	30.09.2024	Change (y/y)
Fixed assets, including:	**536 345**	**556 030**	**-3.5%**
- Tangible fixed assets	477 658	488 851	-2.3%
- other fixed assets	58 687	67 179	-12.6%
Current assets, including:	**255 181**	**287 204**	**-11.1%**
- Inventory	95 025	107 616	-11.7%
- Trade and other receivables	134 620	117 003	15.1%
- Cash and cash equivalents	21 695	60 199	-64.0%
- other current assets	3 841	2 386	61.0%
Total	**791 526**	**843 234**	**-6.1%**

On September 30, 2025, the value of the assets of the Śnieżka Group was PLN 791,526 thousand, which represents a decrease by PLN 51,708 thousand (i.e. by 6.1%) compared to the end of September 2024. The value of the Group's fixed assets (representing 67.8% of its total assets) decreased by 3.5% during the year to PLN 536,345 thousand. The value of the Group's current assets amounted to PLN 255,181 thousand, which represents a decline by 11.1% compared to September 30, 2024. The main component of the Group's current assets was trade receivables amounting to PLN 134,620 thousand, the value of which increased by 15.1% compared with the previous year. The second largest component were inventories valued at PLN 95,025 thousand, i.e. by 11.7% lower than in 2024. As at September 30, 2025, the Group held PLN 21,695 thousand cash (a decrease by 64% y/y).

Table 9 The Śnieżka Group's liabilities

Group's liabilities	30.09.2025	30.09.2024	Change (y/y)
Total equity, including:	**427 388**	**390 420**	**9.5%**
- Equity (attributable to the shareholders of the parent company)	408 745	368 463	10.9%
- Equity of non-controlling interest	18 643	21 957	-15,1%
Total liabilities	364 138	452 814	-19.6%
Long-term liabilities, including:	**145 148**	**221 240**	**-34.4%**
- Long-term interest-bearing loans	124 767	205 575	-39.3%
- Other long-term liabilities	20 381	15 665	30.1%
Short-term liabilities, including:	**218 990**	**231 574**	**-5.4%**
- Trade and other liabilities	101 782	104 229	-2.3%
- Short-term liabilities on loans and borrowings	53 608	74 444	-28.0%
- Other short-term liabilities	63 600	52 901	20.2%
Total	**791 526**	**843 234**	**-6.1%**

Financial data in PLN '000

As at September 30, 2025, the Group had equity of PLN 427,388 thousand, i.e. by 9.5% higher than at the end of September last year. At the same time, the level of external debt decreased. Consequently, the Group financed its operations from its own resources at 54%, which represents an increase of this level by 7.7% over the year. At the end of the reporting period, the Group's long-term liabilities amounted to PLN 145,148 thousand, which represents a decrease of 34.4% (PLN 76,092 thousand) y/y. Liabilities falling due more than twelve months after the balance sheet date accounted for 18.3% of total assets.

The Group's short-term liabilities amounted to PLN 218,990 thousand, representing a year-on-year decrease of 5.4% and accounting for 27.7% of total assets. As a result of changes in the financing structure, the value of bank loans (both short- and long-term) decreased by PLN 101,644 thousand, to PLN 178,375 thousand, and as at 30 September 2025 they accounted for 22.5% of total assets.

Compared to the end of September last year the Group's trade and other liabilities decreased by PLN 2,447 thousand to the level of PLN 101,782 thousand.

Put and call options

The Group's balance sheet includes a put option, i.e. a liability under the option to purchase shares of Poli-Farbe Vegyipari Kft. held by a minority shareholder. It reduces the Group's equity by PLN 25,166 thousand as at September 30, 2025. The essence of this option is that Lampo Kft. – the other shareholder of Poli-Farbe Vegyipari Kft. – has the right to sell (put option), and FFiL Śnieżka is obliged to purchase the remaining 20% of shares in this company. Whereas the call option entitles the Company, in special circumstances, to acquire the remaining 20% of shares.

Fabryka Farb i Lakierów Śnieżka SA

Similarly to the Group, the balance sheet figures of FFiL Śnieżka SA are affected by seasonality. Consequently, the Company decided to provide a commentary on the performance presenting the state of assets and liabilities after nine months of the year: as at September 30, 2025 and September 30, 2024.

Table 10. FFIL ŚNIEŻKA SA's assets

Company's assets	30.09.2025	30.09.2024	Change (y/y)
Fixed assets, including:	**631 748**	**648 735**	**-2.6%**
- Tangible fixed assets	406 432	417 445	-2.6%
- Shares and stocks in other entities	201 049	200 822	0.1%
- other fixed assets	24 267	30 468	-20.4%
Current assets, including:	**223 869**	**208 593**	**7.3%**
- Inventory	72 279	78 485	-7.9%
- Trade and other receivables	142 429	116 511	22.2%
- Cash and cash equivalents	5 660	11 838	-52.2%
- other current assets	3 501	1 759	99.0%
Total	**855 617**	**857 328**	**-0.2%**

Financial data in PLN '000

As at the end of September 2025, the Company's assets amounted to PLN 855,617 thousand, representing a slight decrease of PLN 1,711 thousand, i.e. 0.2%, compared with the end of September of the previous year. The value of the Company's non-current assets (representing 73.8% of its total assets) decreased by 2.6% year on year, to PLN 631,748 thousand, as a result of a decline in components classified within the asset groups "other non-current assets" and "property, plant and equipment.

The value of the Company's current assets amounted to PLN 223,869 thousand, which represents an increase of 7.3% compared with 30 September 2024. The main component of these assets was trade and other receivables, which increased by 22.2% year on year and were valued at PLN 142,429 thousand. Inventories held in stock were valued at PLN 72,279 thousand, which is 4.9% (PLN 6,206 thousand) lower than the valuation recorded a year earlier.

As at the end of September 2025, the Company held PLN 5,660 thousand in cash and cash equivalents (a decrease of PLN 6,178 thousand year on year) and PLN 3,501 thousand in other current assets in the form of income tax receivables.

Table 11. FFIL ŚNIEŻKA SA's liabilities

Company's liabilities	30.09.2025	30.09.2024	Change (y/y)
Equity	**333 536**	**295 527**	**12.9%**
Total liabilities	522 081	561 801	-7.1%
Long-term liabilities, including:	**379 332**	**425 701**	**-10.9%**
- Long-term interest-bearing loans and borrowings	359 398	411 316	-12.6%
- Other long-term liabilities	19 934	14 385	38.6%
Short-term liabilities, including:	**142 749**	**136 100**	**4.9%**
- Trade and other liabilities	60 686	62 948	-3.6%
- Current portion of interest-bearing loans and borrowings	46 480	52 613	-11.7%
- Other short-term liabilities	35 583	20 539	73.2%
Total	**855 617**	**857 328**	**-0.2%**

As at September 30, 2025, FFiL Śnieżka SA financed 39% of its operations with equity, which represents an increase of 4.5% compared with the end of September of the previous year. At the end of the reporting period, the Company's long-term liabilities amounted to PLN 379,332 thousand (a year-on-year decrease of PLN 46,369 thousand) and accounted for 44.3% of total assets

As part of the liabilities presented in the report as at 30 September 2025, the Company held loans from its subsidiaries Śnieżka ToC and Rafil, which forms part of the Group's optimal liquidity management.

As at the end of the reporting period, the total value of the loans amounted to PLN 252,248 thousand in the principal portion (classified as long-term liabilities, including: ToC – PLN 241,248 thousand, Rafil – PLN 11,000 thousand) and PLN 978 thousand in the interest portion (classified as short-term liabilities, including: ToC – PLN 925 thousand, Rafil – PLN 53 thousand).

The Company's short-term liabilities increased by 4.9% (PLN 6,649 thousand). This balance-sheet item was primarily affected by an increase in other short-term liabilities, specifically income tax liabilities. As at the end of the reporting period, the current portion of interest-bearing loans and borrowings amounted to PLN 46,480 thousand, representing a year-on-year decrease of 11.7%. trade and other liabilities declined slightly (by 3.6%) to PLN 60,686 thousand.

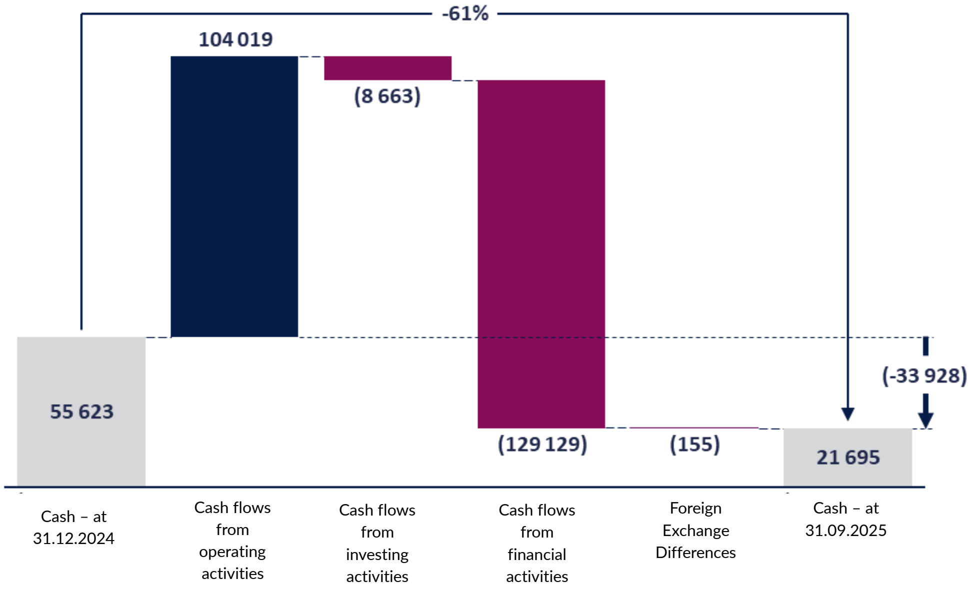
Financial data in PLN '000

4.5 CASH FLOWS

The Śnieżka Group

In the three quarters of 2025, the Group generated negative cash flows of PLN 33,928 thousand, compared with negative cash flows of PLN 5,466 thousand in the previous year. As a result, at the end of the reporting period, the Group's cash and cash equivalents amounted to PLN 21,695 thousand.

Figure 11. The Group's cash flows in the three quarters of 2025



They were driven by:

- **positive cash flows from operating activities of PLN 104,019 thousand**

Their amount was primarily driven by: profit before tax of PLN 90,830 thousand, depreciation of PLN 28,709 thousand, and an operating adjustment for interest expenses on loans of PLN 10,344 thousand. More effective management of receivables and inventories, as well as improved use of operating liabilities to finance operations, resulted in a reduced negative impact of changes in working capital year on year.

- **negative cash flows from investing activities of PLN 8,663 thousand**

In cash flows from investing activities, the Group reports CAPEX outflows of PLN 12,999 thousand; on the positive side, proceeds from the sale of property, plant and equipment amounted to PLN 4,384 thousand.

- **negative cash flows from financial activities of PLN 129,129 thousand**

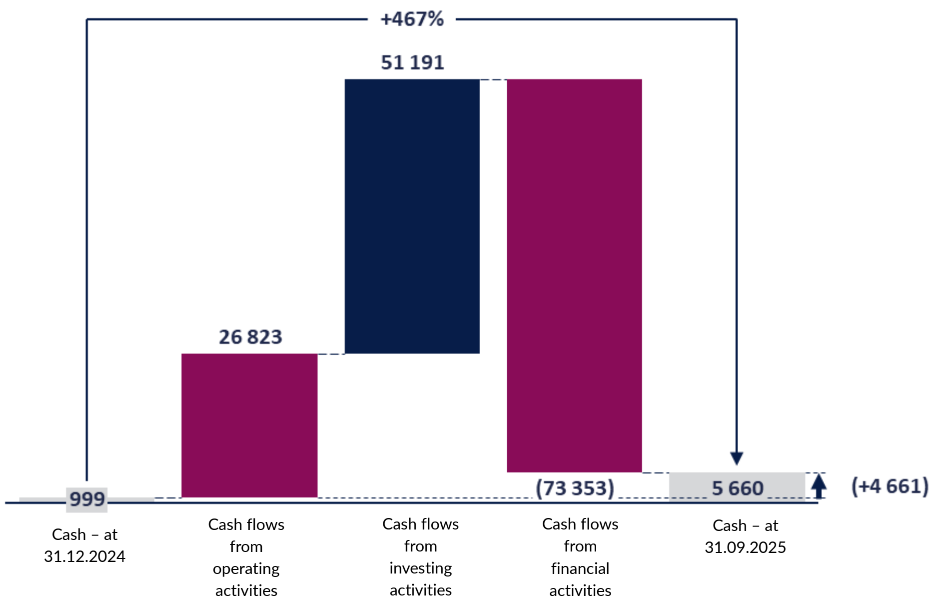
In addition to inflows from existing credit facilities amounting to PLN 9,220 thousand – arising from investment needs as well as on-going operating activities – the final cash flows from financial activities were significantly affected by partial repayment of loans (PLN 82,489 thousand), interest paid (PLN 10,887 thousand), and dividends paid of PLN 42,728 thousand.

Financial data in PLN '000

Fabryka Farb i Lakierów Śnieżka SA

After nine months of 2025, the Company generated positive cash flows of PLN 4,661 thousand (compared with also positive cash flows of PLN 11,093 thousand in the previous year). At the end of the reporting period, the Company's cash amounted to PLN 5,660 thousand.

Figure 12. FFIL ŚNIEŻKA SA's cash flows in the three quarters of 2025



They were driven by:

- **positive cash flows from operating activities of PLN 26,823 thousand**

Their amount was primarily driven by: profit before tax of PLN 86,166 thousand, an operating adjustment for interest expenses on loans of PLN 18,705 thousand, and depreciation of PLN 20,707 thousand; on the negative side, there was a significant impact from changes in working capital amounting to PLN 35,888 thousand and dividends received of PLN 59,116 thousand.

- **positive cash flows from investing activities in the amount of PLN 51,191 thousand.**

In cash flows from investing activities, the Company reports total CAPEX outflows of PLN 3,037 thousand; on the positive side, proceeds from the sale of property, plant and equipment amounted to PLN 1,392 thousand, and dividends received totalled PLN 52,884 thousand.

- **negative cash flows from financial activities in the amount of PLN 73,353 thousand.**

This item was positively affected by inflows from existing credit facilities and loans (totalling PLN 130,353 thousand); the largest negative impacts, however, came from partial repayment of loans and borrowings (PLN 145,914 thousand) together with interest payments (PLN 19,276 thousand), as well as dividends paid of PLN 37,853 thousand.

4.6 FINANCIAL RATIOS

Group's profitability ratios

In the first three quarters of 2025, the Śnieżka Group achieved higher percentage margins compared with the corresponding period of the previous year. The gross profit margin, which amounted to 51.1% in the period under review (+2%), was driven by a favourable relationship between production costs and sales value. This also had a positive effect on the profitability of subsequent profit categories: the EBIT margin reached 16.1% (+0.9%), the EBITDA margin 20.7% (+1.1%), and the net profit margin 11.4% (+1%).

In the reporting period, the ROA and ROE ratios were also higher (by 1.5% and 1.1%, respectively). In the case of ROE, the increase resulted primarily from a higher average level of equity (+7.8%), accompanied by an increase in net profit calculated cumulatively for the last four quarters on a year-on-year basis (+14.4%).

Table 12. The Group's profitability ratios

	the period of 9 months ended as at 30 September 2025	the period of 9 months ended as at 30 September 2024
EBIT margin in % (EBIT / Sales revenue) x 100%	16.1%	15.2%
EBITDA margin in % (EBITDA / Sales revenue) x 100%	20.7%	19.5%
Gross margin on sales in % (Gross profit on sales / Sales revenue) x 100%	51.1%	49.1%
Net profit (loss) in % (Net profit / Sales revenue) x 100%	11.4%	10.4%
Return on assets (ROA) * (Net profit / Total assets *) x 100%	9.6%	8.1%
Return on equity (ROE) ** (Net profit / equity - attributable to the shareholders of the parent company) x 100%	19.6%	18.5%

** Total net profit of the Group for the last four quarters divided by the average value of total assets of the Group at the end of the last 5 quarters.*

*** Total net profit attributable to the shareholders of the parent company for the last 4 quarters divided by the average value of equity attributable to shareholders of the parent company at the end of the last 5 quarters.*

Group's liquidity and debt ratios

As at 30 September 2025, the Śnieżka Group's total debt ratio decreased by 7.7% year on year, driven by a faster decline in liabilities relative to total assets. Due to a year-on-year decrease in the value of non-current assets by 3.5% and a simultaneous increase in equity of 9.4%, the ratio of coverage of non-current assets with equity improved by 9.5%, reaching 79.7%.

The Group's current ratio amounted to 1.2, remaining at the level recorded in the previous year; similarly, the quick ratio held steady at 0.7. The cash ratio, however, declined from 0.26 to 0.10 due to a significantly lower cash balance compared with the previous year.

The Management Board monitors the economic and social situation in the Group's key markets in the context of demand trends for the Group's products. Taking this into account, it undertakes measures aimed at maintaining the Group's optimal and safe liquidity level.

The Śnieżka Group manages its interest-bearing debt in a conservative manner, assuming in the long term that the optimal level of indebtedness is around 1x EBITDA. Concurrently, in order to ensure financing at the optimal level, the Company prolongs credit agreements as needed.

Financial data in PLN '000

As at the end of September 2025, the Group's net debt to EBITDA ratio stood at 1.14, compared with 1.60 a year earlier, i.e. close to the optimal level.

Table 13. The Group's liquidity and debt ratios

	30.09.2025	30.09.2024
Current liquidity ratio (Current assets / Short-term liabilities)	1.2	1.2
Quick liquidity ratio (Current assets - inventories)/Short-term liabilities	0.7	0.8
Cash liquidity ratio (Cash and cash equivalents / Short-term liabilities)	0.10	0.26
Total debt ratio (Total liabilities / Total assets) x 100%	46.0%	53.7%
Fixed-asset to equity-capital ratio (Equity/Fixed assets) x 100%	79.7%	70.2%

Group's rotation ratios

In the period January-September of 2025, the cash conversion cycle in the Group was approximately 51 days. Despite shifts in individual components (inventories, receivables and liabilities), the overall cash conversion cycle—i.e. the time required to convert cash tied up in operating activities back into cash—did not change materially.

Table 14. The Śnieżka Group's rotation ratios

	the period of 9 months ended as at 30 September 2025	the period of 9 months ended as at 30 September 2024
Inventory cycle (Inventory level x 270 /Cost of sales) in days	82.7	88.2
Receivables cycle (Trade and other receivables x 270 / Sales revenue) in days	57.3	48.8
Current liabilities cycle (Trade and other liabilities x 270 / Cost of sales) in days	88.5	85.4
Cash conversion cycle (Inventory cycle + receivables cycle - liabilities cycle) in days	51.4	51.6

4.7 SEASONALITY

The activity of the Śnieżka Group's companies is characterized by the phenomenon of seasonality. It is related to the rise in demand for the Group's products, due to the intensity of renovation and construction works, falling primarily in the spring and summer months. The Group usually generates higher revenue in the second and third quarters of each financial year. They constitute approx. 60% of its annual sales revenue.

The occurring phenomenon of seasonality also affects:

- the change in the need for working capital, which is a lot higher in the second and third quarters compared to the end of December of the previous year,
- the level of production in selected Group companies in individual months of the year.

Financial data in PLN '000

4.8 FACTORS THAT MAY AFFECT THE GROUP'S PERFORMANCE IN THE FOLLOWING QUARTERS

The performance of the Śnieżka Group in the coming months of 2025 will be influenced primarily by the performance of FFiL Śnieżka SA (parent company) and Śnieżka Trade of Colours Sp. z o.o.

In addition, due to the significant share in the Group's consolidated revenue and profits, the performance of selected subsidiaries operating on key foreign markets will be of crucial importance, particularly Poli-Farbe Vegyipari Kft. (Hungary) and Śnieżka-Ukraina Sp. z o.o. (Ukraine).

The Company’s Management Board estimates that the main external factors that will affect the performance of the Group and individual companies in the coming quarters will be:

1. **Demand for the Group's products and possible changes in consumer behaviour**

The Śnieżka Group monitors consumer sentiment, the financial condition of consumers and their purchasing plans in its key markets (Poland, Hungary, Ukraine) and in its most important product categories.

Demand in future periods may be influenced by a number of factors, including: the interest rate reduction cycle initiated by the Monetary Policy Council; lower inflation readings compared to previous years; and continued wage growth. According to the analyses of the Central Statistical Office (CSO), the consumer sentiment in Poland - aggregated in the Current Consumer Confidence Indicator (BWUK)[38] - amounted to -11.5 (+3.1% y/y) in Q3 of 2025. The Leading Consumer Confidence Index (WWUK), which reflects the expected trends in individual consumption over the next 12 months, recorded a year-on-year increase. It currently stands at -6.1 (+4.4 % y/y).[39]

The Group analyses, including: how global factors (such as the effects of the war in Ukraine or tensions in international trade) and local factors (such as inflation and changes in wages) affect GDP levels in individual countries, with which the decorative paints industry is strongly correlated in the long term. A constant element of the activities carried out is the monitoring of situation in this sector on key markets, which provides the possibility of predicting alternations in consumer attitudes, as well as adapting the offer as well as marketing and sales activities to volatile conditions.

2. **Consequences of the armed conflict on the territory of Ukraine**

Military operations in the territory of Ukraine have a negative impact on the Group's operations and performance on the Ukrainian market.

According to the Company’s knowledge at the time of the publication of this report, the property of Śnieżka-Ukraina is not endangered (its production plant is located in Yavoriv, Lviv region). At the moment, there are no premises that would indicate the loss of the ability to continue business operations in Ukraine. Nevertheless, the in-progress armed conflict and the concentration of the Russian army on destroying the energy infrastructure may cause disruptions in the energy supply, which may affect the efficiency of the production plant. In the longer term, it may also affect renovation works, and thus the demand for the company's products.

The on-going warfare in Ukraine may have an essential effect on the future performance of Śnieżka-Ukraina and, as a result, the entire Group. A return to the sales volumes achieved prior to the war may not be easy to attain in the short term. Nevertheless, it can be observed that the industry’s performance is gradually recovering.

At the same time, due to external factors and the current market environment, the Management Board of the Company is currently unable to estimate the impact of the war on the future performance of the Group on the said market.

[38] The BWUK and WWUK indices range from -100 to +100. Values above zero indicate an improvement in the economic situation, while negative values indicate a deterioration.
[39] Source: Central Statistical Office, Consumer sentiment – June 2025.

The Śnieżka Group monitors the conditions in Ukraine on a regular basis and adapts its activities and plans to the current situation. It also continues to monitor its core markets, constantly verifying, inter alia, the impact of the armed conflict in Ukraine on the condition of economies, the sentiment and financial condition of consumers or their purchasing plans.

Table 15. The exposure to risk of assets held in Ukraine as at September 30, 2025 is as follows (data in PLN thousand):

Data in PLN thousand	Balance sheet as at 30.09.2025
PP&E	24 618
Inventory	6 989
Short-term receivables	4 826
Cash	7 254
Other assets	823
Total assets	**44 510**
Net assets (Equity)	**32 860**

3. The situation in global trade and its impact on the pace of economic growth

The World Trade Organization (WTO) Goods Trade Barometer reading in April 2025 amounted to 103.5 points, improving from the March reading of 102.8 points[40].

As WTO analysts point out, the Goods Trade Barometer is a composite leading indicator of world trade, providing early signals on the direction of changes in merchandise trade relative to past trends. Initial forecasts (prior to the announcement of tariff changes) for global trade growth in 2025 stood at 2.7%. As a result of uncertainty regarding the shape of the new U.S. trade policy, the forecasts were revised in April to -0.2%. Currently, the estimates for 2025 have once again increased to 2.4%. This can be explained by two underlying factors. Firstly, the conclusion of numerous trade agreements with the U.S., which contributed to market stabilization. Secondly, some importers, concerned about the possible introduction of higher tariffs, expedited shipments, which in turn stimulated global trade[41] [42].

The situation in global trade translates into trade dynamics in the key markets where the Group operates, and consequently affects the economic condition of the countries that represent the Group's main sales markets. The paints and wood products industry, as well as the level of consumption of renovation and construction goods, are correlated with the level and dynamics of GDP growth. This is particularly essential in the case of Poland (the key market of the Group from the perspective of the sales revenue generated), where private consumption remains one of the main driving forces of the economy.

A significant threat to trade is also the escalation of the conflict on the territory of Ukraine, which affects sales dynamics in the industry both directly (due to the Group's presence on the Ukrainian market) and indirectly (inter alia through its impact on energy commodity prices).

4. Changes in the prices of raw materials and packaging and their availability

[40] Source: World Trade Organization (WTO), WTO trade barometers – April 2025, November 2025.
[41] Source: WTO, Goods barometer rises as imports surge in first quarter ahead of expected tariff hikes, August 2025
[42] Source: WTO, AI goods and frontloading lift world trade in 2025 but outlook dims for 2026, October 2025.

The Company's Management Board envisages that due to the current economic and political situation in Europe and in the world, including the pending war in Ukraine and the Middle East, in 2025, as for some raw materials and packaging as well as other products, there may be further price increases. Determining the level of prices of key raw materials used in production may be subject to an insignificant error. The Company also monitors the changes to the European Union regulations on an on-going basis, describe later in this chapter, and takes appropriate steps to adapt to them.

Currently, the Company does not anticipate any events related to purchases of raw materials, packaging or other goods that could threaten its proper operation.

5. Changes in currency exchange rates

The Group's performance may be significantly affected by changes in currency exchange rates, in particular: EUR/PLN, EUR/HUF, EUR/UAH, EUR/USD and USD/PLN, HUF/PLN, UAH/PLN. The greatest current currency risk for the Śnieżka Group is related to the potential strengthening of the EUR/PLN exchange rate, which may affect the change in the cost of purchasing raw materials used for production.

6. Increase in energy prices affecting production costs

In the current macroeconomic and geopolitical environment, energy prices have stabilized, which translate into the final cost of production. In Poland, the Company has secured electricity at a fixed price for the entire years 2025 and 2026, and 100% of this energy is sourced from renewable sources. At the Śnieżka Ukraina plant, the photovoltaic system completed in 2023, produces electricity for the plant's needs and ensures approximately 20% of demand coverage. In turn, at the Hungarian subsidiary Poli-Farbe, the photovoltaic system launched in September 2024 covers approximately 30% of the company's energy demand. In Poland, the documentation has been prepared and the required consents and building permits for photovoltaic systems have been obtained, but due to the lack of possibilities to obtain funding for the systems in question, the decision to implement them has been suspended.

7. The European Union regulations on paint and other products of the Group

The Śnieżka Group is subject to complex and increasingly restrictive European Union legal regulations regarding product safety and implementing the assumptions of the European Green Deal. Legal regulations concerning the content of biocidal substances, as well as other compounds used in production that pose or may pose risks to human health and the environment, are becoming increasingly stringent. The Group's priority is to ensure user safety while maintaining the quality and durability of its products. Śnieżka's specialized team conducts raw material analyses aimed at eliminating or substituting substances subject to restrictions arising, among others, from the REACH Regulation. The Group continuously monitors legal developments that may affect its operations and manufactured products.

The legal acts currently being amended that will require attention in the near term include:

Regulation (EC) No 1272/2008 of the European Parliament and of the Council on the classification, labelling and packaging of substances and mixtures (the so-called CLP Regulation), together with its amending regulations (the so-called ATPs), relating to product classification and appropriate labelling, dependent on the content of substances in the final product and affecting the information provided on product labels.

Regulation (EU) 2025/40 of the European Parliament and of the Council on packaging and packaging waste (the so-called PPWR Regulation), which governs the circularity of packaging;

Regulation (EU) 2023/1115 of the European Parliament and of the Council on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation (the so-called EUDR Regulation), which confirms the sustainable origin of a selected group of raw materials.

8. Actions to prevent climate change

The Śnieżka Group is aware of the need to take action to counteract climate change. As part of the dual materiality assessment conducted in 2024, the Group's climate impact across the entire value chain was assessed as negative. On the contrary, the impact on local energy mixes resulting from the use of energy from renewable sources in Poland, as well as from own photovoltaic systems in two locations (Hungary and Ukraine), was assessed positively. Significant climate-related risks and opportunities associated with the energy transition have also been identified and incorporated into the actions defined in the Śnieżka Sustainable Development Strategy. The Group's key decarbonisation initiatives are based on improving energy efficiency, transforming towards green energy and effectively managing greenhouse gas (GHG) emissions. By the end of 2026, the Group plans to develop a detailed transition plan, including the establishment of targets aligned with limiting global warming to 1.5°C. This plan will encompass an in-depth analysis of the Group's current environmental impact, specific emission reduction targets, and actions enabling the achievement of climate neutrality.

5. QUARTERLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE ŚNIEŻKA GROUP

The interim condensed consolidated financial statements of the Group cover the 9-month period ended September 30, 2025 and contain comparative data for the 9-month period ended September 30, 2024 and as at December 31, 2024. These data have not been reviewed or audited by a statutory auditor, except for the data as at December 31, 2024 which were the subject of the audit.

These interim condensed consolidated financial statements of the Group for the period of 9 months ended September 30, 2025 were approved for publication by the Company's Management Board as at November 19, 2025.

The basis for preparing the interim condensed consolidated financial statements

These interim condensed consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") approved by the EU ("IFRS EU"), in accordance with the requirements of IAS 34 "Interim Financial Reporting", and the Regulation of the Minister of Finance of June 6, 2025 on current and periodic information provided by issuers of securities and the conditions for recognizing as equivalent information required by the law of a non-member state ("Regulation"). As at the date of approval of the condensed financial statements to be published, taking into account a pending process within the EU on implementation IFRS standards as well as conducted business activity by the Group, in the scope of accounting principles applied by the Company, IFRS differ from IFRS UE.

The IFRS UE comprise standards and interpretations approved by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC")

These interim condensed consolidated financial statements are presented in Polish currency, i.e. PLN, and all values, unless stated otherwise, are provided in PLN' 000.

These interim condensed consolidated financial statements have been prepared assuming that the Group will continue its business activity in the foreseeable future.

Essential accounting principles (policy)

These interim condensed consolidated financial statements do not include all information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's consolidated financial statements for the year ended as at December 31, 2024, which was published on April 10, 2025.

Condensed consolidated statement of comprehensive income

	the period of 3 months ended as at 30 September 2025 (unaudited) (data not subject to review)	the period of 9 months ended as at 30 September 2025 (unaudited) (data not subject to review)	the period of 3 months ended as at 30 September 2024 (unaudited) (data not subject to review)	the period of 9 months ended as at 30 September 2024 (unaudited) (data not subject to review)
Continued activities				
Sales revenue	**254 356**	**634 684**	**245 032**	**647 680**
Cost of sales	119 853	310 377	121 603	329 569
Gross profit from sales	**134 503**	**324 307**	**123 429**	**318 111**
Other operating revenue	733	2 877	561	1 323
Selling costs	43 239	122 360	43 860	124 135
General administrative expenses	35 229	99 106	30 328	93 541
Other operating expenses	1 691	3 290	117	3 373
Profit from operating activities	**55 077**	**102 428**	**49 685**	**98 385**
Financial revenue	398	1 915	764	3 134
Financial expenses	4 122	13 551	6 150	17 865
Share in associate's profit	13	38	56	190
Gross profit	**51 366**	**90 830**	**44 355**	**83 844**
Income tax	9 973	18 168	8 665	16 435
Net profit for the period	**41 393**	**72 662**	**35 690**	**67 409**
Other comprehensive income				
Items subject to reclassification to profit / (loss) in subsequent reporting periods:	**1 013**	**(3 127)**	**(3 770)**	**(8 951)**
Exchange differences from translation of foreign operations	1 013	(3 127)	(3 770)	(8 951)
Items not subject to reclassification to profit / (loss) in subsequent reporting periods:	**86**	**62**	**25**	**448**
Change in fair value of financial instruments measured at fair value through other comprehensive income	86	81	25	321
Actuarial gains (losses) after considering deferred income tax	-	(19)	-	127
Other net comprehensive income	**1 099**	**(3 065)**	**(3 745)**	**(8 503)**
Comprehensive income for the period	**42 492**	**69 597**	**31 945**	**58 906**
Profit attributable to:	41 393	72 662	35 690	67 409
Shareholders of the parent company	39 921	69 941	34 615	64 643
Non-controlling interest	1 472	2 721	1 075	2 766
Total income attributable to:	**42 492**	**69 597**	**31 945**	**58 906**
Shareholders of the parent company	40 794	67 414	31 458	57 384
Non-controlling interest	1 698	2 183	487	1 522
Earnings per share (in PLN):				
- basic, from profit for the period attributable to shareholders of the parent company	3.16	5.54	2.74	5.12

Financial data in PLN '000

- basic, from profit on continued operations for the period attributable to shareholders of the parent company	3.16	5.54	2.74	5.12
- diluted, from profit for the period attributable to shareholders of the parent company	3.16	5.54	2.74	5.12
- diluted, from profit on continued operations for the period attributable to shareholders of the parent company	3.16	5.54	2.74	5.12

Financial data in PLN '000

Condensed consolidated statement of financial position

	30 September 2025 *(unaudited)* *(data not subject to review)*	31 December 2024
Non-current assets	**536 345**	**549 190**
PP&E	477 658	484 093
Goodwill	3 810	3 733
Intangible assets	48 502	56 189
Investments in associates using the equity method	1 820	1 921
Other financial assets (long-term)	1 639	1 591
Long-term lease receivables	1 200	84
Deferred tax assets	1 716	1 579
Current assets excluding non-current assets held for sale	**255 181**	**235 273**
Inventory	95 025	100 345
Trade and other receivables	134 620	65 463
Income tax receivables	3 841	13 842
Other financial assets	-	-
Cash and cash equivalents	21 695	55 623
Fixed assets held for sale	**-**	**834**
Current assets	**255 181**	**236 107**
TOTAL ASSETS	**791 526**	**785 297**
LIABILITIES		
Equity (attributable to the shareholders of the parent company)	**408 745**	**373 231**
Share capital	12 618	12 618
Option to acquire shares in minority ownership	(25 166)	(31 119)
Other supplementary capital	(73 368)	(70 860)
Retained earnings	494 661	462 592
Equity of non-controlling interests	**18 643**	**21 759**
Total equity	427 388	394 990
Long-term liabilities	**145 148**	**210 520**
Interest-bearing loans and borrowings	124 767	188 567
Provisions, including:	6 257	6 163
- Provisions for employee benefits	5 982	5 888
- Other provisions	275	275
Lease liabilities	9 466	4 299
Provision for deferred income tax	4 658	11 491
Short-term liabilities, excluding assets held for sale	**218 990**	**179 787**
Trade and other liabilities	101 782	74 888
Current portion of interest-bearing loans and borrowings	53 608	68 924
Lease liabilities	2 093	646
Liabilities under option to acquire shares in minority ownership	24 748	30 700
Income tax liabilities	14 874	-
Provisions, including:	21 885	4 629
- Provisions for employee benefits	21 847	4 513
- Other provisions	38	116
Short-term liabilities	**218 990**	**179 787**
Total liabilities	**364 138**	**390 307**
TOTAL LIABILITIES	**791 526**	**785 297**

Financial data in PLN '000

Condensed consolidated statement of cash flows

	the period of 9 months ended as at 30 September 2025 *(unaudited)* *(data not subject to review)*	the period of 9 months ended as at 30 September 2024 (unaudited) (data not subject to review)
Cash flows from operating activities		
Profit before tax	**90 830**	**83 844**
Adjustments:	22 151	4 985
Depreciation of PP&E, intangible assets	28 709	28 122
Profit (loss) on investing activities	(67)	458
Exchange difference	(96)	(7)
Share in associates' profits	(38)	(190)
Interest expenses	10 344	15 980
Dividends received	-	-
Other adjustments	(116)	(714)
Movement in inventories	5 135	4 243
Movement in receivables	(71 484)	(50 541)
Movement in liabilities	32 513	(6 510)
Movement in provisions	17 251	14 144
Cash generated by operating activities	**112 981**	**88 829**
Income tax paid	(8 962)	(12 765)
Net cash from operating activities	**104 019**	**76 064**
Cash flows from investing activities		
Expanses related to acquisition of PP&E and intangible assets	(12 999)	(29 304)
Proceeds from sales of PP&E and intangible assets	4 384	839
Proceeds from sale of shares	-	-
Other adjustments	(48)	-
Net cash used in investing activities	**(8 663)**	**(28 465)**
Cash flows from financial activities		
Proceeds form loans and borrowings raised	9 220	67 775
Repayment of loans and borrowings	(82 489)	(52 112)
Repayment of financial lease liabilities	(2 245)	(1 893)
Interest	(10 887)	(17 127)
Dividends and promoter certificates paid	(42 728)	(45 240)
Net cash from financial activities	**(129 129)**	**(48 597)**
Net increase (decrease) in cash and cash equivalents before exchange differences	**(33 773)**	**(998)**
Exchange differences from translation of foreign operations	(155)	(4 468)
Net increase (decrease) in cash and cash equivalents	**(33 928)**	**(5 466)**
Cash and cash equivalents at the beginning of the period	55 623	65 665
Cash and cash equivalents at the end of the period	**21 695**	**60 199**

Financial data in PLN '000

Condensed consolidated statement of changes to equity

	Share capital	Option to acquire shares in minority ownership	Other supplementary capital	Retained earnings	Equity (attributable to the shareholders of the parent company)	Equity of non-controlling interest	Total equity
As at 1 January 2025	**12 618**	**(31 119)**	**(70 860)**	**462 592**	**373 231**	**21 759**	**394 990**
Net profit for the period	-	-	-	69 941	69 941	2 721	72 662
Other net comprehensive income for the period	-	-	(2 508)	(19)	(2 527)	(538)	(3 065)
Comprehensive income for the period	**-**	**-**	**(2 508)**	**69 922**	**67 414**	**2 183**	**69 597**
Acquisition of shares in a subsidiary - option valuation	-	-	5 953	-	5 953	-	5 953
Dividend	-	-	-	(37 853)	(37 853)	(5 299)	(43 152)
Change in equity	-	-	3 445	32 069	35 514	(3 116)	32 398
As at 30 September 2025 *(unaudited, data not subject to review)*	**12 618**	**(31 119)**	**(67 415)**	**494 661**	**408 745**	**18 643**	**427 388**
							-
As at 1 January 2024	**12 618**	**(33 679)**	**(64 118)**	**432 978**	**347 799**	**26 345**	**374 144**
Net profit for the period	-	-	-	64 643	64 643	2 766	67 409
Other net comprehensive income for the period	-	-	(7 386)	127	(7 259)	(1 244)	(8 503)
Comprehensive income for the period	**-**	**-**	**(7 386)**	**64 770**	**57 384**	**1 522**	**58 906**
Acquisition of shares in a subsidiary - option valuation	-	-	3 278	-	3 278	-	3 278
Dividend	-	-	-	(39 998)	(39 998)	(5 910)	(45 908)
Change in equity	-	-	(4 108)	24 772	20 664	(4 388)	16 276
As at 30 September 2024 *(unaudited, data not subject to review)*	**12 618**	**(33 679)**	**(68 226)**	**457 750**	**368 463**	**21 957**	**390 420**

6. QUARTERLY CONDENSED STANDALONE FINANCIAL STATEMENTS

The interim condensed financial statements of FFiL Śnieżka SA cover the period of 9 months ended September 30, 2025 and contain comparative data for the period of 9 months ended September 30, 2024 and December 31, 2024. These data have not been reviewed or audited by a statutory auditor, except for the data as at December

Financial data in PLN '000

31, 2024 which were the subject of the audit. Information on the principles adopted in the preparation of the condensed financial statements of FFiL Śnieżka SA are analogous to those for the Group.

Condensed standalone statement of comprehensive income

	the period of 3 months ended as at 30 September 2025 *(unaudited)* *(data not subject to review)*	the period of 9 months ended as at 30 September 2025 *(unaudited)* *(data not subject to review)*	the period of 3 months ended as at 30 September 2024 *(unaudited)* *(data not subject to review)*	the period of 9 months ended as at 30 September 2024 *(unaudited)* *(data not subject to review)*
Continued activities				
Sales revenue	**171 539**	**422 998**	**157 280**	**430 561**
Cost of sales	111 936	279 236	104 038	287 764
Gross profit from sales	**59 603**	**143 762**	**53 242**	**142 797**
Dividend income	11 529	59 116	1 919	43 321
Other operating revenue	437	3 119	178	4 260
Selling costs	8 025	23 216	7 654	24 035
General administrative expenses	27 471	74 276	22 291	67 733
Other operating expenses	1 714	2 404	198	1 323
Profit from operating activities	**34 359**	**106 101**	**25 196**	**97 287**
Financial revenue	147	444	900	1 659
Financial expenses	7 037	20 379	7 742	24 389
Gross profit	**27 469**	**86 166**	**18 354**	**74 557**
Income tax	3 483	5 791	3 507	6 154
Net profit for the period	**23 986**	**80 375**	**14 847**	**68 403**
Other comprehensive income (loss) that is not be transferred to financial result:	**-**	**(13)**	**-**	**10**
Actuarial gains (losses) for defined benefit plans	-	(13)	-	10
Other comprehensive income that may be reclassified to profit /(loss):	**86**	**81**	**26**	**262**
Cash flow hedge	86	81	26	262
Other net comprehensive income (losses)	86	68	26	272
Comprehensive income for the period	**24 072**	**80 443**	**14 873**	**68 675**
Profit (loss) per share:				
- basic, from profit for the reporting period	1.90	6.37	1.18	5.42
- basic, from profit on continued operations for the reporting period	1.90	6.37	1.18	5.42
- diluted, from profit for the reporting period	1.90	6.37	1.18	5.42
- diluted, from profit on continued operations for the reporting period	1.90	6.37	1.18	5.42

Financial data in PLN '000

Condensed standalone statement of financial position

	30 September 2025 *(unaudited)* *(data not subject to review)*	31 December 2024
ASSETS		
Non-current assets	**631 748**	**646 710**
PP&E	406 432	415 519
Intangible assets	23 150	30 189
Shares and interests in other entities	201 049	201 002
Long-term receivables	1 117	-
Deferred tax assets	-	-
Current assets	**223 869**	**142 361**
Inventory	72 279	78 611
Trade and other receivables	142 429	50 346
Income tax receivables	3 501	12 405
Cash and cash equivalents	5 660	999
Non-current assets classified as held for sale	-	-
TOTAL ASSETS	**855 617**	**789 071**
LIABILITIES		
Equity	**333 536**	**290 946**
Share capital	12 618	12 618
Revaluation reserve	530	449
Retained earnings	320 388	277 879
Long-term liabilities	**379 332**	**390 759**
Interest-bearing loans and borrowings	359 398	374 413
Provisions for employee benefits	4 620	4 555
Lease liabilities	8 107	2 952
Option liabilities	-	-
Provision for deferred income tax	7 207	8 839
Short-term liabilities	**142 749**	**107 366**
Trade and other liabilities	60 686	51 442
Current portion of interest-bearing loans and borrowings	46 480	47 457
Lease liabilities	782	478
Option liabilities	3 440	5 640
Income tax liabilities	14 765	-
Provisions for employee benefits	16 596	2 349
Liabilities related to assets held for sale	-	-
Total liabilities	**522 081**	**498 125**
TOTAL LIABILITIES	**855 617**	**789 071**

Financial data in PLN '000

Condensed standalone statement of cash flows

	the period of 9 months ended as at 30 September 2025 *(unaudited)* *(data not subject to review)*	the period of 9 months ended as at 30 September 2024 (unaudited) (data not subject to review)
Cash flows from operating activities		
Profit before tax	**86 166**	**74 557**
Adjustments:	(54 369)	(4 240)
Depreciation of PP&E, intangible assets and investment properties	20 707	19 503
(Profit) loss on investing activities	1 178	546
Exchange difference	45	(915)
Net interest	18 705	23 127
Interest revenue	-	-
Dividends received	(59 116)	(43 321)
Movement in inventories	6 333	9 586
Movement in receivables	(82 654)	(32 474)
Movement in liabilities	26 137	9 182
Movement in provisions	14 296	10 526
Cash generated by operating activities	**31 797**	**70 317**
Income tax paid	(4 974)	(8 635)
Net cash from operating activities	**26 823**	**61 682**
Cash flows from investing activities		
Proceeds from sales of PP&E and intangible assets	1 392	135
Expanses related to acquisition of PP&E and intangible assets	(3 037)	(17 660)
Expanses related to acquisition of shares and stocks	(48)	-
Proceeds from sale of shares	-	-
Expenses related to loans granted	-	-
Proceeds from repayment of loans and borrowings	-	-
Interest received	-	-
Dividends received	52 884	43 196
Net cash used in investing activities	**51 191**	**25 670**
Cash flows from financial activities		
Proceeds form loans and borrowings raised	130 353	124 941
Repayment of loans and borrowings	(145 913)	(136 262)
Repayment of financial lease liabilities	(663)	(316)
Interest	(19 276)	(24 624)
Dividends	(37 853)	(39 998)
Net cash from financial activities	**(73 353)**	**(76 259)**
Net increase (decrease) in cash and cash equivalents	**4 661**	**11 093**
Cash and cash equivalents at the beginning of the period	999	745
Cash and cash equivalents at the end of the period	**5 660**	**11 838**

Financial data in PLN '000

Condensed standalone statement of changes to equity

	Share capital	Retained earnings	Revaluation reserve	Total equity
As at 1 January 2025	**12 618**	**277 879**	**449**	**290 946**
Net profit (loss) for the period	-	80 375	-	80 375
Other net comprehensive income for the period	-	(13)	81	68
Comprehensive income for the period	**-**	**80 362**	**81**	**80 443**
Dividend payment	-	(37 853)	-	(37 853)
As at 30 September 2025 *(unaudited, data not subject to review)*	**12 618**	**320 388**	**530**	**333 536**
As at 1 January 2024	**12 618**	**254 144**	**88**	**266 850**
Net profit for the period	-	68 403	-	68 403
Other net comprehensive income for the period	-	10	262	272
Comprehensive income for the period	**-**	**68 413**	**262**	**68 675**
Dividend payment	-	(39 998)	-	(39 998)
As at 30 September 2024 *(unaudited, data not subject to review)*	**12 618**	**282 559**	**350**	**295 527**

7. ADDITIONAL INFORMATION

Factors and events, including of unusual nature, having a significant impact on the condensed statements

The Management Board of the parent company monitors the conditions on the Ukrainian market on an on-going basis and adjusts its activities and plans to the situation related to the armed conflict in Ukraine, which commenced in February 2022.

The Capital Group continues the change of rules implemented in 2022 regarding the translation of financial statements of the company operating in Ukraine, for which the Ukrainian hryvnia (UAH) is the functional currency. The Group adopted at the end of September of 2025 the closing rate set by the NBP, at which the Group exchanges UAH into PLN, i.e. UAH 1 = PLN 0.0881.

No other factors or events occurred in Q3 of 2025 than those described in the report, including those of unusual nature, having a significant impact on the condensed interim financial statements of the Group and the Company.

Significant proceedings

In March 2021, the Company received the result of a customs and tax audit carried out by the Head of the Sub-Carpathian Customs and Tax Office in Przemyśl on the accuracy of the declared grounds and payment of corporate income tax for 2016.

The Customs and Tax Office decided that in the audited period, the Company overestimated the tax deductible costs by PLN 13.8 million in connection with the expenses incurred for the acquisition of rights to use intangible assets and indicated a tax arrears of PLN 2.62 million. The amount of interest amounted to PLN 0.88 million. Both of these liabilities were settled in September 2022.

At the same time, the Management Board did not agree with the findings of the audit and appealed to the Customs and Tax Office. On December 23, 2022, the Company was served with the final decision of the Customs and Tax Office, upholding the findings of the tax office audit. In response to this decision, on 23 January 2023 the Company's legal representative filed a complaint with the Provincial Administrative Court in Rzeszów.

By judgment of April 25, 2023, the Provincial Administrative Court in Rzeszów revoked the decision of the Customs and Tax Office.

Financial data in PLN '000

The Customs and Tax Office in Przemyśl filed a cassation appeal against this judgment to the Supreme Administrative Court. The Company responded to the cassation appeal, emphasizing the correctness of the decision of the Provincial Administrative Court in Rzeszów. The Provincial Administrative Court's judgment is not final. As at the date of preparation of this report, the hearing date before the Supreme Administrative Court has not yet been scheduled.

In the reporting period there were no significant proceedings, apart from the above-mentioned, pending before a court, arbitration body or public administration body regarding liabilities and receivables of the Company or its subsidiaries.

Information on significant settlements of court cases

In the analysed period no significant settlements of court cases occurred.

Information on the issue, redemption and repayment of non-equity and equity securities

In Q3 of 2025 there were no issues, redemptions or repayments of non-equity and equity securities.

Information on the paid (or declared) dividend

On June 3, 2025, at the Annual General Meeting, the shareholders of FFiL Śnieżka SA approved the payment of a dividend from 2024 earnings amounting to PLN 37,853,334 in total, representing PLN 3.00 per share. The dividend date was June 11, 2025, and its payment took place on June 17, 2025. Since the debut on the WSE, the Company's shareholders have received PLN 582.1 million in the form of dividend.

Other information relevant to the assessment of the personnel, property and financial situation, the profit of the Company and their changes and information relevant to the assessment of the Company's ability to fulfil its obligations

In Q3 of 2025, there were no significant events that could affect the financial situation of the Group.

Information that, in the Company's opinion, is important for assessing its personnel, property, financial situation, profit and their changes in Q3 of 2025, as well as information that is important for assessing the Company's ability to fulfil its obligations, is included in this Report.

Information on failure to repay a credit or loan or breach of material provisions of a credit or loan agreement

In Q3 of 2025, no failure to repay a credit or loan or breach of material provisions of a credit or loan agreement with respect to the parent company or its subsidiaries belonging to the Śnieżka Group occurred.

Transactions with related entities

In Q3 of 2025 neither the Company nor its subsidiaries concluded any transactions with related entities other than arm's length transactions. Transactions between the aforementioned associates are made on equivalent terms to those that prevail in arm's length transactions.

Granted sureties and guarantees

The parent company is a party to credit agreements, the so-called "umbrella" with other entities comprising the capital group in Poland. Under these agreements, joint and several liability of the borrowers is established. Under these agreements, the parent company is the guarantor of the debt incurred by other group companies under umbrella agreements.

Apart from the above, as at September 30, 2025, there were no significant credit or loan sureties or guarantees granted to a single entity or its subsidiary by the Company or its subsidiary.

Amount and type of items affecting assets, liabilities, equity, net profit or cash flows that are unusual due to their type, value or frequency

In Q3 of 2025, there are no items affecting assets, liabilities, equity, net profit or cash flows that would be unusual due to their type, value or frequency.

Information on write-down on inventories to net realizable value and reversal of write-down on this account

In Q3 of 2025, the amount of write-downs on inventories (compared to June 30, 2025) decreased by PLN 158 thousand and as at September 30, 2025 these write-downs amount to PLN 2,653 thousand.

Information on write-down on financial assets, property, plant and equipment, intangible assets or other assets and the reversal of such write-down

As at September 30, 2025, write-downs on receivables decreased by PLN 600 thousand compared to June 30, 2025. Currently, they amount to PLN 3,415 thousand.

Compared to the value as at December 31, 2024, write-downs on fixed assets did not change.

Information on the creation, increase, use and release of provisions

Provisions created in the Group relate to future employee benefits and as at September 30, 2025 their total value is PLN 27,829 thousand (including PLN 5,982 thousand is a long-term provision and PLN 21,847 thousand is a short-term one). In Q3 of 2025, the amount of these provisions increased (compared to June 30, 2025) by a total of PLN 6,943 thousand with an increase of PLN 7 thousand in the case of the long-term provision and PLN 6,936 thousand in the case of the short-term one.

The Group also created additional provisions at the end of Q3 of 2025 in the amount of PLN 313 thousand. The amount of these provisions decreased by PLN 79 thousand compared to June 30, 2025

Information on deferred tax liabilities and assets

In the statement of financial position, the deferred tax liability is offset against the deferred tax asset at the level of each Group entity.

The amount of deferred tax assets in Q3 of 2025 decreased by PLN 58 thousand compared to June 30, 2025 and currently amounts to PLN 1,716 thousand.

The amount of provisions for deferred income tax also decreased by PLN 2,552 thousand. As at September 30, 2025, these provisions amount to PLN 4,658 thousand.

Information on significant transactions of purchase and sale of PP&E

In the first three quarters of 2025, the Group’s capital expenditures amounted to PLN 14,243 thousand. This amount represents total capital expenditures in the three quarters of 2025 reduced by proceeds from the sale of non-current assets in the same period (net CAPEX).

Capital expenditures before deducting proceeds from asset disposals amounted to PLN 18,630 thousand in the reporting period. In addition to the above, in the reporting period there were no significant transactions of purchase and sale of PP&E.

Information on a significant liability for the purchase of PP&E

As at September 30, 2025, the Group has a liability for the purchase of property, plant and equipment in the amount of PLN 2,125 thousand. A significant part of these liabilities constitute the ones of the parent company for expenses related to the expansion, modernization of fixed assets and the purchase of equipment.

Indication of corrections of errors from previous periods

In the analysed period no corrections of errors from previous periods were made.

Information on changes in the economic situation and operating conditions that have a significant impact on the fair value of the entity's financial assets and financial liabilities, regardless of whether these assets and liabilities are recognized at fair value or at adjusted purchase price (amortized cost)

The change in the economic situation and operating conditions had no significant impact on the value of financial assets and financial liabilities of the Śnieżka Group.

Information on the change in the method of determining the fair value as regards financial instruments measured with the method in question

No changes in the method of determining the value of financial instruments measured at fair value occurred.

Information on a change in the classification of financial assets following the change in the purpose or use of these assets

No changes in the classification of financial assets following the change in the purpose or use of these assets occurred.

Significant events after the end of the reporting period

No other significant events occurred after the balance sheet date.

Information on changes in contingent liabilities or contingent assets from the end of the last financial year

As at September 30, 2025, the Śnieżka Group did not have any liabilities or contingent assets. Compared to June 30, 2025, liabilities and contingent assets did not change.

Segment reporting

The following data has been calculated and presented in accordance with IFRS No. 8. Revenue and costs were allocated to geographical segments.

The “Segment result after eliminations” is calculated by deducting cost of sales and selling expenses allocated to individual segments from sales revenue.

General expenses, other operating income and expenses, interest income and expenses, other financial income and expenses as well as income tax have been allocated to segments according to the geographical location of the company's business.

Table 16. Segment result for the 9-month period ended September 30, 2025

the period of 9 months ended as at 30 September 2025	Continued activities						
	Poland	Hungary	Ukraine	Other	Total	Eliminations	Total operations
Segment revenue after eliminations	**466 811**	**81 416**	**61 604**	**24 853**	**634 684**		**634 684**
Revenue from sale of products	*448 320*	*79 353*	*56 798*	*21 828*	*606 299*		*606 299*
Revenue from sale of goods	*14 509*	*1 683*	*4 345*	*2 535*	*23 072*		*23 072*
Revenue from sale of materials	*1 067*	*262*	*-*	*342*	*1 671*		*1 671*
Revenue from sale of services	*2 915*	*118*	*461*	*148*	*3 642*		*3 642*
Sales to external customers	466 811	81 416	61 604	24 853	634 684	-	634 684
Sales between segments (eliminations)	-	7 932	22 144	-	30 076	(30 076)	-
Total segment revenue without eliminations	*466 811*	*89 348*	*83 748*	*24 853*	*664 760*		664 760
Segment expenses after eliminations	**310 710**	**62 024**	**44 313**	**15 690**	**432 737**		**432 737**
Profit after eliminations	**156 101**	**19 392**	**17 291**	**9 163**	**201 947**		**201 947**
General expenses	84 940	7 766	5 791	609	99 106		99 106
Other revenue and operating expenses	(1 373)	353	155	452	(413)		(413)
Profit from operating activities	**69 788**	**11 979**	**11 655**	**9 006**	**102 428**		**102 428**
Interest revenue	26	290	1 543	-	1 859		1 859
Interest expenses	12 246	1 085	-	-	13 331		13 331
Other financial income and expenses	(300)	246	(134)	24	(164)		(164)
Share in the net profit of subsidiaries under the equity method	38				38		38
Profit before tax	**57 306**	**11 430**	**13 064**	**9 030**	**90 830**		**90 830**
Income tax	14 522	2 174	1 404	68	18 168		18 168
Net profit, attributable to:	**42 784**	**9 256**	**11 660**	**8 962**	**72 662**		**72 662**
- shareholders of the parent company							69 941
- minority shareholders							2 721

Financial data in PLN '000

Table 17. Segment result for the 9-month period ended September 30, 2024:

the period of 9 months ended as at 30 September 2024	Continued activities					Eliminations	Total operations
	Poland	Hungary	Ukraine	Other	Total		
Segment revenue after eliminations	**464 611**	**84 750**	**64 532**	**33 787**	**647 680**		**647 680**
Revenue from sale of products	*444 737*	*82 761*	*59 076*	*28 547*	*615 121*		*615 121*
Revenue from sale of goods	*14 789*	*1 674*	*5 087*	*3 962*	*25 512*		*25 512*
Revenue from sale of materials	*1 415*	*214*	*-*	*1 046*	*2 675*		*2 675*
Revenue from sale of services	*3 670*	*101*	*369*	*232*	*4 372*		*4 372*
Sales to external customers	464 611	84 750	64 532	33 787	647 680		647 680
Sales between segments (eliminations)	-	9 150	19 731	545	29 426	(29 426)	-
Total segment revenue without eliminations	464 611	93 900	84 263	34 332	677 106		677 106
Segment expenses after eliminations	**321 197**	**65 293**	**45 427**	**21 787**	**453 704**		**453 704**
Profit after eliminations	**143 414**	**19 457**	**19 105**	**12 000**	**193 976**		**193 976**
General expenses	78 756	8 523	5 658	604	93 541		93 541
Other revenue and operating expenses	(2 464)	(253)	(58)	725	(2 050)		(2 050)
Profit from operating activities	**62 194**	**10 681**	**13 389**	**12 121**	**98 385**		**98 385**
Interest revenue	216	889	1 978	-	3 083		3 083
Interest expenses	16 592	1 092	-	-	17 684		17 684
Other financial income and expenses	462	(167)	(399)	(26)	(130)		(130)
Share in the net profit of subsidiaries under the equity method	190	-	-	-	190		190
Profit before tax	**46 470**	**10 311**	**14 968**	**12 095**	**83 844**		**83 844**
Income tax	13 337	1 440	1 569	89	16 435		16 435
Net profit, attributable to:	**33 133**	**8 871**	**13 399**	**12 006**	**67 409**		**67 409**
- shareholders of the parent company							64 643
- minority shareholders							2 766

The structure of sales in the Śnieżka Group according to the criteria of products and services is presented in sec. 4.2 of the Report.

Financial data in PLN '000

8. CONTACT REGARDING THE REPORT

Corporate Governance

Izabela Chmiel

Corporate Governance Officer

relacjeinwestorskie@sniezka.com

izabela.chmiel@sniezka.com

tel. +48 14 680 54 17

ESG and Corporate Communications

Aleksandra Małozięć

People, ESG and Corporate Communications Director

aleksandra.maloziec@sniezka.com

tel. +48 14 680 54 83