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Quarterly report of the Auto Partner Group for the three months ended 30 September 2024

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This quarterly report of the Auto Partner Group for the three months ended 30 September 2024 contains the interim condensed consolidated financial statements of the Group. This document also includes the quarterly financial information of the parent prepared in accordance with Section 62.1 of the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state.

## I. Condensed consolidated interim financial statements

### Condensed consolidated interim statement of comprehensive income

	Note	for 3 months ended		for 9 months ended	
		30 September 2024	30 September 2023	30 September 2024	30 September 2023
		unaudited figures	unaudited figures	unaudited figures	unaudited figures
<b>STATEMENT OF PROFIT OR LOSS</b>					
Revenue from contracts with customers	7	1,060,829	956,274	3,117,671	2,731,459
Cost of sales	8	(777,921)	(685,177)	(2,277,600)	(1,987,188)
<b>Gross profit</b>		<b>282,908</b>	<b>271,097</b>	<b>840,071</b>	<b>744,271</b>
Distribution costs and marketing expenses	8	(120,063)	(104,548)	(358,334)	(299,576)
Warehousing costs	8	(77,269)	(59,794)	(231,111)	(173,966)
Management and administrative expenses	8	(12,997)	(11,957)	(39,861)	(34,498)
Other gains/(losses), net	9	764	(3,469)	(1,736)	1,694
Other income		297	36	654	140
Other expenses	10	(2,392)	(474)	(3,932)	(1,067)
<b>Operating profit</b>		<b>71,248</b>	<b>90,891</b>	<b>205,751</b>	<b>236,998</b>
Finance income	11	100	(2,379)	375	492
Finance costs	12	(8,917)	(7,218)	(22,315)	(23,050)
<b>Profit before tax</b>		<b>62,431</b>	<b>81,294</b>	<b>183,811</b>	<b>214,440</b>
Income tax	13	(12,256)	(15,645)	(36,387)	(41,621)
<b>Profit from continuing operations</b>		<b>50,175</b>	<b>65,649</b>	<b>147,424</b>	<b>172,819</b>
<b>Net profit</b>		<b>50,175</b>	<b>65,649</b>	<b>147,424</b>	<b>172,819</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Exchange differences on translation of foreign operations		(112)	(215)	(270)	28
<b>Other comprehensive income that will be reclassified to profit or loss, after tax</b>		<b>(112)</b>	<b>(215)</b>	<b>(270)</b>	<b>28</b>
<b>Net other comprehensive income</b>		<b>(112)</b>	<b>(215)</b>	<b>(270)</b>	<b>28</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>50,063</b>	<b>65,434</b>	<b>147,154</b>	<b>172,847</b>
<b>Net profit attributable to:</b>					
owners of the parent		50,175	65,649	147,424	172,819
non-controlling interests		-	-	-	-
<b>Total comprehensive income attributable to:</b>					
owners of the parent		50,063	65,434	147,154	172,847
non-controlling interests		-	-	-	-
<b>Earnings per share (PLN per share)</b>					
basic earnings per share from continuing operations (PLN)		0.38	0.50	1.13	1.32
<b>Basic earnings per share (PLN)</b>		<b>0.38</b>	<b>0.50</b>	<b>1.13</b>	<b>1.32</b>
diluted earnings per share from continuing operations (PLN)		0.38	0.50	1.13	1.32
<b>Diluted earnings per share (PLN)</b>		<b>0.38</b>	<b>0.50</b>	<b>1.13</b>	<b>1.32</b>

## Condensed consolidated interim statement of financial position

	Note	As at 30 September 2024	As at 30 June 2024	As at 31 December 2023	As at 30 September 2023
		unaudited figures	unaudited figures		unaudited figures
<b>ASSETS</b>					
<b>Non-current assets</b>					
Intangible assets	15	34,685	34,670	34,944	33,628
Property, plant and equipment	14	367,120	364,959	331,960	267,982
Investments in other entities	16	110	110	110	110
Other long-term receivables	19	4,741	4,985	4,494	4,625
Deferred tax assets	13	1,602	1,740	1,034	1,647
<b>Total non-current assets</b>		<b>408,258</b>	<b>406,464</b>	<b>372,542</b>	<b>307,992</b>
<b>Current assets</b>					
Inventories	18.1	1,088,874	1,054,483	1,006,367	962,394
Contract assets	18.2	24,590	23,552	19,366	18,946
Trade and other receivables	19	391,499	358,297	357,031	329,770
Other financial assets	17	-	3,305	-	1
Current tax assets	13	958	43	1,257	-
Cash and cash equivalents	20	48,830	41,776	37,360	33,746
<b>Total current assets</b>		<b>1,554,751</b>	<b>1,481,456</b>	<b>1,421,381</b>	<b>1,344,857</b>
<b>Total assets</b>		<b>1,963,009</b>	<b>1,887,920</b>	<b>1,793,923</b>	<b>1,652,849</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital issued		13,062	13,062	13,062	13,062
Share premium		106,299	106,299	106,299	106,299
Other components of equity		2,103	2,103	2,103	2,103
Translation reserve		(1,927)	(1,815)	(1,657)	(1,004)
Retained earnings		1,054,216	1,004,041	926,385	875,618
<b>Equity attributable to owners of the parent</b>		<b>1,173,753</b>	<b>1,123,690</b>	<b>1,046,192</b>	<b>996,078</b>
<b>Total equity</b>	21	<b>1,173,753</b>	<b>1,123,690</b>	<b>1,046,192</b>	<b>996,078</b>
<b>Non-current liabilities</b>					
Long-term borrowings	22	122,629	56,566	104,146	84,409
Lease liabilities	24	170,057	170,113	152,413	105,798
Employee benefit obligations and provisions	25	936	894	1,927	2,182
Deferred tax liabilities	13	27,438	19,492	33,086	20,581
<b>Total non-current liabilities</b>		<b>321,060</b>	<b>247,065</b>	<b>291,572</b>	<b>212,970</b>
<b>Current liabilities</b>					
Trade and other payables	23.1	206,222	273,510	154,107	218,491
Contract liabilities	23.2	34,280	33,091	26,896	26,460
Short-term borrowings	22	138,229	111,515	196,135	111,416
Lease liabilities	24	34,587	33,455	37,306	37,747
Current tax liabilities	13	13,016	18,971	12	9,591
Employee benefit obligations and provisions	25	34,694	38,402	33,267	30,714
Short-term provisions		7,168	8,221	8,436	9,382
<b>Total current liabilities</b>		<b>468,196</b>	<b>517,165</b>	<b>456,159</b>	<b>443,801</b>
<b>Total liabilities</b>		<b>789,256</b>	<b>764,230</b>	<b>747,731</b>	<b>656,771</b>
<b>Total equity and liabilities</b>		<b>1,963,009</b>	<b>1,887,920</b>	<b>1,793,923</b>	<b>1,652,849</b>

## Condensed consolidated interim statement of cash flows

<i>indirect method</i>	Note	for 9 months ended	
		30 September 2024	30 September 2023
		unaudited figures	unaudited figures
<b>Cash flows from operating activities</b>			
<b>Profit before tax</b>		<b>183,811</b>	<b>214,440</b>
<b>Adjustments:</b>		<b>5,226</b>	<b>87,454</b>
Depreciation and amortisation		40,832	31,615
Foreign exchange gains/(losses)		2,194	(876)
Adjustments for gains/(losses) on sale of non-current assets		101	161
Other adjustments with cash flows from financing or investing activities		(122)	(104)
Adjustments for finance costs		19,984	22,652
Change in inventories		(82,507)	(6,664)
Change in contract assets		(5,224)	(5,362)
Change in trade and other receivables		(36,167)	(49,128)
Change in trade and other payables		59,583	87,818
Change in contract liabilities		7,384	7,149
Change in employee benefit obligations and provisions		(832)	193
<b>Cash from operating activities</b>		<b>189,037</b>	<b>301,894</b>
Income tax paid		(29,300)	(46,061)
<b>Net cash from operating activities</b>		<b>159,737</b>	<b>255,833</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment and intangible assets		(36,155)	(30,383)
Disposal of property, plant and equipment and intangible assets		122	124
Loans		(3,260)	(3,537)
Repayment of loans		3,210	3,540
Interest received		122	104
<b>Net cash from investing activities</b>		<b>(35,961)</b>	<b>(30,152)</b>
<b>Cash flows from financing activities</b>			
Dividend paid		(19,593)	(19,593)
Borrowings repaid		(38,725)	(153,753)
Payment of lease liabilities		(33,912)	(31,700)
Interest and fees paid		(20,105)	(21,833)
<b>Net cash from financing activities</b>		<b>(112,335)</b>	<b>(226,879)</b>
<b>Change in cash before exchange rate changes</b>		<b>11,441</b>	<b>(1,198)</b>
<b>Effect of exchange rate changes on cash</b>		<b>29</b>	<b>13</b>
<b>Net change in cash</b>		<b>11,470</b>	<b>(1,185)</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>37,360</b>	<b>34,931</b>
<b>Cash and cash equivalents at end of period</b>	20	<b>48,830</b>	<b>33,746</b>

## Condensed consolidated interim statement of changes in equity

	Share capital issued	Share premium	Capital from issue of warrants	Translation reserve	Retained earnings	Equity attributable to owners of the parent	Total equity
<b>As at 1 January 2024</b>	13,062	106,299	2,103	(1,657)	926,385	1,046,192	1,046,192
Net profit	-	-	-	-	147,424	147,424	147,424
Other comprehensive income	-	-	-	(270)	-	(270)	(270)
<b>Total comprehensive income</b>	-	-	-	(270)	147,424	147,154	147,154
Dividends paid	-	-	-	-	(19,593)	(19,593)	(19,593)
<b>Total changes in equity</b>	-	-	-	(270)	127,831	127,561	127,561
<b>As at 30 September 2024</b> (unaudited)	13,062	106,299	2,103	(1,927)	1,054,216	1,173,753	1,173,753

	Share capital issued	Share premium	Capital from issue of warrants	Translation reserve	Retained earnings	Equity attributable to owners of the parent	Total equity
<b>As at 1 January 2023</b>	13,062	106,299	2,103	(1,032)	722,392	842,824	842,824
Net profit	-	-	-	-	223,586	223,586	223,586
Other comprehensive income	-	-	-	(625)	-	(625)	(625)
<b>Total comprehensive income</b>	-	-	-	(625)	223,586	222,961	222,961
Dividends paid	-	-	-	-	(19,593)	(19,593)	(19,593)
<b>Total changes in equity</b>	-	-	-	(625)	203,993	203,368	203,368
<b>As at 31 December 2023</b>	13,062	106,299	2,103	(1,657)	926,385	1,046,192	1,046,192

	Share capital issued	Share premium	Capital from issue of warrants	Translation reserve	Retained earnings	Equity attributable to owners of the parent	Total equity
<b>As at 1 January 2023</b>	13,062	106,299	2,103	(1,032)	722,392	842,824	842,824
Net profit	-	-	-	-	172,819	172,819	172,819
Other comprehensive income	-	-	-	28	-	28	28
<b>Total comprehensive income</b>	-	-	-	28	172,819	172,847	172,847
Dividends paid	-	-	-	-	(19,593)	(19,593)	(19,593)
<b>Total changes in equity</b>	-	-	-	28	153,226	153,254	153,254
<b>As at 30 September 2023</b> (unaudited)	13,062	106,299	2,103	(1,004)	875,618	996,078	996,078

## Notes

### 1. About the Auto Partner Group

#### 1.1. Principal business of the Group

The Auto Partner Group's principal business activity consists in the organisation of distribution of vehicle spare parts directly from manufacturers to end users. The Group is an importer and distributor of parts for passenger cars and delivery vehicles in the market for spare parts classified in accordance with the GVO regulations and European Union directives.

#### 1.2. About the parent – Auto Partner S.A.

Name of the reporting entity: Auto Partner S.A.

Registered office address: ul. Ekonomiczna 20, 43-150 Bieruń, Poland.

Registered office: Poland

Principal place of business: Auto Partner S.A. conducts operations mainly in the territory of Poland.

Country of registration: Poland

Legal form: Joint stock company (*spółka akcyjna*). The Company is entered in the National Court Register at the District Court for Katowice-Wschód, 8th Commercial Division of the National Court Register, under No. KRS 0000291327.

Tax Identification Number (NIP): 6340011017

Industry Identification Number (REGON): 276249079

Legal Entity Identifier (LEI): 259400NXH0FT0MF6PV21

The Company has been established for indefinite time. The Company's financial year is the same as the calendar year.

#### 1.3. Composition of the Management Board of the parent as at the date of authorisation of these financial statements for issue

Aleksander Górecki – President of the Management Board

Andrzej Manowski – Vice President of the Management Board

Piotr Janta – Vice President of the Management Board

Tomasz Werbiński – Member of the Management Board

#### 1.4. Composition of the Supervisory Board of the parent as at the date of authorisation of these financial statements for issue

Jarosław Plisz – Chair of the Supervisory Board

Bogumił Woźny – Deputy Chair of the Supervisory Board

Andrzej Urban – Member of the Supervisory Board

Bogumił Kamiński – Member of the Supervisory Board

Mateusz Melich – Member of the Supervisory Board

#### 1.5. Auditor

PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp.k., with its registered office at ul. Polna 11, Warsaw.



## 1.6. Stock exchange listing of parent shares

Auto Partner S.A. shares are listed on the Warsaw Stock Exchange in the continuous trading system. The structure of the Company's share capital as at 30 September 2024 is presented below.

The share capital consists of:	number of shares	par value per share	amount of share capital
Series A ordinary bearer shares	1,000	PLN 0.10	PLN 100.00
Series B ordinary bearer shares	111,110	PLN 0.10	PLN 11,111.00
Series C ordinary bearer shares	160,386	PLN 0.10	PLN 16,038.60
Series D ordinary bearer shares	48,319,769	PLN 0.10	PLN 4,831,976.90
Series E ordinary bearer shares	39,964,295	PLN 0.10	PLN 3,996,429.50
Series F ordinary bearer shares	4,444,440	PLN 0.10	PLN 444,444.00
Series G ordinary bearer shares	999,000	PLN 0.10	PLN 99,900.00
Series H ordinary bearer shares	23,000,000	PLN 0.10	PLN 2,300,000.00
Series I ordinary bearer shares	2,070,000	PLN 0.10	PLN 207,000.00
Series J ordinary bearer shares	11,550,000	PLN 0.10	PLN 1,155,000.00
<b>Total</b>	<b>130,620,000</b>		<b>PLN 13,062,000.00</b>

## 1.7. Consolidated subsidiaries as at 30 September 2024

As at the reporting date, the Auto Partner Group comprised the parent company Auto Partner S.A. and four subsidiaries consolidated with the full method, as listed below.

Entity	Principal business	Registered office	share (%)	share (%)
			As at 30 September 2024	As at 31 December 2023
Maxgear Sp. z o.o. Sp. komandytowa	sale of spare parts and accessories for motor vehicles	Bieruń, Poland	100%*	100%*
Maxgear Sp. z o.o.	sale of spare parts and accessories for motor vehicles	Poland, Tychy	100%	100%
AP Auto Partner CZ, s.r.o.	sale of spare parts and accessories for motor vehicles	Prague, Czech Republic	100%	100%
AP Auto Partner RO, s.r.l.	sale of spare parts and accessories for motor vehicles	Romania, Bucharest	100%	100%

\*) 99% of the voting rights are held by Auto Partner S.A. as a limited partner; 1% of the voting rights are held by the general partner, in which Auto Partner S.A. holds 100% of the voting rights.

All the companies in the Group have been established for indefinite time. Financial statements of all subsidiaries have been prepared for the same period as the parent's financial statements, in accordance with consistently applied uniform accounting policies.

The financial year of the Group companies is the same as the calendar year.

## 2. Statement of compliance and basis of accounting

These interim condensed consolidated financial statements (these "financial statements") of the Group for the nine months from 1 January to 30 September 2024 have been prepared in accordance with IAS 34 *Interim Financial Reporting* and do not include all the information and disclosures required to be included in full-year consolidated financial statements. These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated full-year financial statements for the year ended 31 December 2023 prepared in accordance with IFRS.

The accounting policies applied in the preparation of these condensed consolidated financial statements are consistent with the policies applied in the preparation of the consolidated full-year financial statements for the financial year ended 31 December 2023.

These condensed consolidated interim financial statements have been prepared on the assumption that the Group will continue as a going concern in the foreseeable future. As at the date of authorisation of these financial statements, there were no circumstances indicating any threat to the Group's ability to continue as a going concern.

All amounts in these condensed consolidated interim financial statements are presented in PLN thousands, unless indicated otherwise.

These interim condensed consolidated financial statements of the Auto Partner Group for the nine months ended 30 September 2024, including the notes and the quarterly separate financial information of the parent Auto Partner S.A. for the three months ended 30 September 2024, were authorised for issue by the Management Board on 19 November 2024.

### 3. Amendments to standards and interpretations

The following amendments to existing standards issued by the International Accounting Standards Board (IASB) and endorsed by the EU have been applied for the first time in 2024:

#### **Amendment to IFRS 16 *Leases***

The amendments to IFRS 16 *Leases* clarify certain issues concerning subsequent measurement of a lease liability in the case of sale and leaseback transactions which satisfy the criteria under IFRS 15 to be accounted for as a sale. The amendments require that a seller-lessee subsequently measure lease liabilities arising in leasebacks in such a way as not to recognise any gain or loss relating to the right of use it retains. The new requirement is of particular importance where a leaseback involves variable payments that do not depend on an index or rate, as under IFRS 16 such payments are not 'lease payments'.

#### **Amendments to IAS 1 *Presentation of Financial Statements***

The amendments to IAS 1 clarify the criteria for classifying liabilities as current and non-current, and address the classification of liabilities when the entity is required to comply with certain covenants. The amended IAS 1 provides that liabilities are classified as current or non-current depending on the rights existing at the end of the reporting period. The classification does not depend on the entity's expectations or events after the reporting date (for example, covenants under credit facility agreements with which the entity must comply after twelve months from the reporting date).

#### **Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures – Supplier Finance Arrangements***

Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures* introduced new disclosure requirements for supplier finance arrangements (e.g. reverse factoring). Entities are required to disclose specific information about supplier finance arrangements to enable users of financial statements to assess how they affect the entity's liabilities and cash flows and understand their effect on the entity's exposure to liquidity risk. The amendments aim to enhance transparency of disclosures on finance arrangements but do not change the principles of recognition and measurement.

The Group has assessed the amendments listed above and found that they have not had a material effect on the financial statements.

Listed below are the issued standards and interpretations that are not yet effective and have not been early adopted by the Group.

#### **Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates***

In August 2023, the IASB published amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates*, which are intended to help entities determine whether a currency is exchangeable for another currency and estimate the spot exchange rate if it is not. In addition, where a currency is not exchangeable, the amended standard requires disclosure of additional information on how an alternative exchange rate is determined. The amendments are effective for financial statements for periods beginning on or after 1 January 2025. As at the date of these financial statements, the amendments were not yet endorsed by the European Union.

#### **Amendments to the classification and measurement of financial instruments – amendments to IFRS 9 and IFRS 7.**

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to:

- clarify the date of recognition and derecognition of certain financial assets and liabilities, with exemption for certain financial liabilities settled through electronic transfer;
- clarify and add further guidance on the assessment of whether a financial asset meets the SPPI test;
- add new disclosure requirements for certain instruments whose contractual terms may change cash flows; and
- update disclosure requirements for equity instruments designated at fair value through other comprehensive income (FVOCI).

The amendments are effective for financial statements for periods beginning on or after 1 January 2026. As at the date of these financial statements, the amendments were not yet endorsed by the European Union.

#### **Annual Improvements to IFRS Accounting Standards**

Annual Improvements to IFRS Accounting Standards amend the following standards: IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows.

The amendments clarify the guidance on recognition and measurement. As at the date of these financial statements, the amendments were not yet endorsed by the European Union.

#### **IFRS 18 *Presentation and Disclosure in Financial Statements***

In April 2024, the IASB issued IFRS 18 *Presentation and Disclosures in Financial Statements*, A new standard replacing IAS 1 Presentation of Financial Statements, effective from 1 January 2027. The main changes compared with the previous standard pertain to the statement of profit or loss, required disclosures about performance measures, and the aggregation and disaggregation of information contained in financial statements. The new standard is effective for financial statements for periods beginning on or after 1 January 2027. As at the date of these financial statements, the amendments were not yet endorsed by the European Union.

#### **IFRS 19 *Subsidiaries without Public Accountability: Disclosures***

In May 2024, the IASB issued a new standard IFRS 19, which may be adopted by certain subsidiaries applying IFRS Accounting Standards to improve the effectiveness of disclosures in their financial statements. The new standard specifies reduced disclosure requirements. An eligible subsidiary that applies IFRS 19 is required to apply the requirements in other IFRS Accounting Standards, except for disclosure requirements. For disclosure requirements, it applies IFRS 19 instead of the disclosure requirements in other IFRS Accounting Standards. Eligible subsidiaries are entities that do not have public accountability, as defined in the new standard. In addition, IFRS 19 requires that the ultimate or any intermediate parent should produce consolidated financial statements available for public use that comply with IFRS Accounting Standards. Eligible entities may elect to apply the guidance provided in IFRS 19 for financial statements for periods beginning on or after 1 January 2027. As at the date of these financial statements, the amendments were not yet endorsed by the European Union.

#### **Amendments to IFRS 10 and IAS 28 concerning sale or contribution of assets between an investor and its associate or joint venture**

The amendments addressed the previous conflict between the requirements of IFRS 10 and IAS 28. The accounting treatment depends on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a business. If the non-monetary assets constitute a business, the investor recognises full gain or loss resulting from the transaction. If the assets do not meet the definition of a business, the investor recognises a partial gain or loss only to the extent of unrelated investors' interests in the associate or joint venture. The amendments were issued on 11 September 2014. As at the date of these financial statements, the European Union had postponed the endorsement of the amendments.

The amendments listed above will have no material effect on the financial statements.

## 4. Material judgements and estimates

The preparation of financial statements in accordance with IFRS requires the Management Board of the Group to use judgements and estimates which affect the applied accounting policies and the amounts of reported assets, liabilities, income and expenses. Judgements and estimates are reviewed on an ongoing basis. A change in estimates is recognised in profit or loss for the period in which the change occurred. During the reporting period, there were no material changes in judgements and estimates.

## 5. Seasonality

The sale of spare parts and accessories, which constitutes the principal business activity of the Group, is subject to seasonal fluctuations during the year. The highest sale volumes are recorded in the spring season (March to April/May) and in autumn (October and November), and additionally during summer months, while being relatively the lowest in winter. The seasonality of sales is reflected in higher demand for merchandise, which results in a seasonal increase in purchases of merchandise and the amount of related trade payables before the high seasons, especially spring.

## 6. Functional and reporting currency

These condensed consolidated interim financial statements have been prepared in Polish złoty (PLN). The Polish złoty is the functional currency of the parent and the reporting currency adopted for these consolidated financial statements. The data contained in these financial statements is presented in thousands of złoty, unless more accurate information is provided in specific cases.

The functional currencies of the foreign subsidiaries are the Czech koruna (CZK) and the Romanian leu (RON). The following policies have been applied to translate financial data for the purpose of consolidating the financial statements of foreign subsidiaries:

Items of the statement of financial position have been translated at the mid rates quoted by the National Bank of Poland at the end of the reporting period:

NBP mid rate as at	30 September 2024	31 December 2023
CZK	0.1700	0.1759
RON	0.8600	0.8742

Items of the statement of comprehensive income have been translated at the average of exchange rates quoted by the National Bank of Poland for the last day of each month in the reporting period:

Average NBP mid rate for reporting period	9 months 2024	9 months 2023
CZK	0.1713	0.1923
RON	0.8648	0.9255

Exchange differences on translation of foreign operations are recognised in other comprehensive income and as translation reserve in equity.

## 7. Revenue from contracts with customers

The principal business of the Group is the sale of spare parts and accessories for motor vehicles, therefore the Management Board does not identify separate reportable segments for the purposes of managing the Group's business. The Group presents revenue from contracts with customers by geographical region, i.e., domestic, EU and non-EU sales. The Group does not have key customers and sales to none of the Group's customers exceed 10% of total sales.

	Period ended 30 September 2024	Period ended 30 September 2023
<b>Revenue from sales of merchandise</b>	<b>3,113,324</b>	<b>2,729,555</b>
including:		
Sales of merchandise – Poland	1,561,662	1,370,032
Sales of merchandise – EU	1,520,667	1,328,016
Sales of merchandise – other exports	30,995	31,507
<b>Revenue from sales of services</b>	<b>4,347</b>	<b>1,904</b>
including:		
Sales of services – Poland	715	767
Sales of services – EU	3,632	1,137
<b>Total revenue from contracts with customers</b>	<b>3,117,671</b>	<b>2,731,459</b>

## 8. Costs by nature and function of expense

	Period ended 30 September 2024	Period ended 30 September 2023
Depreciation and amortisation	(40,832)	(31,615)
Raw materials and consumables used	(25,855)	(22,871)
Services	(343,510)	(276,560)
Taxes and charges	(5,953)	(3,950)

Employee benefits expense	(204,184)	(167,444)
Other costs by nature of expense	(9,391)	(5,600)
Merchandise, materials and services sold	(2,277,181)	(1,987,188)
<b>Total costs by nature of expense</b>	<b>(2,906,906)</b>	<b>(2,495,228)</b>
Cost of sales	(2,277,600)	(1,987,188)
Distribution costs and marketing expenses	(358,334)	(299,576)
Warehousing costs	(231,111)	(173,966)
Management and administrative expenses	(39,861)	(34,498)
<b>Total costs by function of expense</b>	<b>(2,906,906)</b>	<b>(2,495,228)</b>

## 9. Other gains/(losses), net

	Period ended 30 September 2024	Period ended 30 September 2023
Foreign exchange gains/(losses) on operating activities – unrealised	(430)	(4,058)
Foreign exchange gains/(losses) on operating activities – realised	161	5,939
Gains/(losses) on impairment of receivables	(1,788)	(668)
Other	321	481
<b>Total other gains/(losses), net</b>	<b>(1,736)</b>	<b>1,694</b>

## 10. Other expenses

Other expenses amounted to PLN 3,932 thousand as at 30 September 2024. This amount primarily comprises cash donations totalling PLN 1,238 thousand and losses amounting to PLN 1,828 thousand, resulting from the discarding of trade goods due to flooding at the Company's branch office in Kłodzko during the September 2024 floods in south-western Poland. On 17 November 2024, the Company received the insurer's decision of 15 November 2024 to pay PLN 1,185 thousand to the Company as an advance for compensation for the aforementioned damage. The payment was credited to the Company's account on 18 November 2024. The Company is awaiting a final settlement of the compensation claim, which will fully cover the property damage.

## 11. Finance income

	Period ended 30 September 2024	Period ended 30 September 2023
Foreign exchange gains/(losses) on financing activities	-	-
Interest on loans	122	104
Interest on trade receivables	116	125
Interest on bank deposits	127	251
Other finance income	10	12
<b>Total finance income</b>	<b>375</b>	<b>492</b>

## 12. Finance costs

	Period ended 30 September 2024	Period ended 30 September 2023
<b>Interest expense:</b>		
Interest on term and overdraft facilities	(9,580)	(12,585)
Interest on non-bank borrowings from related entities	(1,653)	(1,864)
Interest on lease liabilities (other leases)	(4,140)	(4,728)

Interest on lease liabilities (office and warehouse space leases)	(4,028)	(2,882)
Other interest expense	(56)	(76)
	<u>(19,457)</u>	<u>(22,135)</u>
<b>Other finance costs:</b>		
Foreign exchange gains/(losses) on financing activities	(2,201)	(271)
Credit commissions and fees	(587)	(589)
Factoring commissions and fees	-	(3)
Other finance costs	(70)	(52)
	<u>(2,858)</u>	<u>(915)</u>
<b>Total finance costs</b>	<b>(22,315)</b>	<b>(23,050)</b>

### 13. Income tax

	Period ended 30 September 2024	Period ended 30 September 2023
<b>Profit before tax</b>	<b>183,811</b>	<b>214,440</b>
Income tax at 19%	(34,924)	(40,744)
Permanent differences	(1,463)	(877)
<b>Total income tax disclosed in the statement of comprehensive income</b>	<b>(36,387)</b>	<b>(41,621)</b>
including:		
<b>Current income tax:</b>		
For current year	(42,515)	(35,643)
For previous years	(88)	(322)
	<u>(42,603)</u>	<u>(35,965)</u>
<b>Deferred income tax:</b>		
For current year	6,216	(5,656)
	<u>6,216</u>	<u>(5,656)</u>
	<b>(36,387)</b>	<b>(41,621)</b>
<b>Profit before tax</b>	<b>183,811</b>	<b>214,440</b>
Income tax	(36,387)	(41,621)
<b>Effective tax rate</b>	<b>19.80%</b>	<b>19.41%</b>

Temporary differences on deferred tax assets and liabilities	As at 31 December 2023	Recognised in profit or loss for 2024	As at 30 September 2024
<b>Deferred tax assets</b>			
Difference arising from rebate assets and inventory discounts	13,125	4,550	17,675
Difference arising from contracts with customers	3,198	(378)	2,820
Difference arising from estimated right to return merchandise	932	239	1,171
Merchandise write-down	1,289	221	1,510
Credit loss allowances for receivables	1,890	314	2,204
Provision for employee benefit obligations	1,609	(137)	1,472
Other provisions	1,472	(898)	574
Difference arising from social security contributions and employee capital plans	39	96	135
Elimination of margins on consolidation	3,891	(1,273)	2,618
Asset on tax loss of subsidiary	1,023	(248)	775
Difference arising from outstanding interest	104	44	148
Difference arising from inventory adjustment assets	1,384	(1,130)	254
Other temporary differences	(83)	170	87

<b>Total</b>	<b>29,873</b>	<b>1,570</b>	<b>31,443</b>
<b>Deferred tax liabilities</b>			
Difference arising from property, plant and equipment and lease liabilities	(16,852)	(2,454)	(19,306)
Difference arising from adjusting invoices	(44,648)	7,025	(37,623)
Other temporary differences	(425)	75	(350)
<b>Total</b>	<b>(61,925)</b>	<b>4,646</b>	<b>(57,279)</b>
<b>Total deferred tax assets (liabilities)</b>	<b>(32,052)</b>	<b>6,216</b>	<b>(25,836)</b>

	<b>As at 30 September 2024</b>	<b>As at 31 December 2023</b>
Deferred tax assets	31,443	29,873
Deferred tax liabilities	(57,279)	(61,925)
<b>Total</b>	<b>(25,836)</b>	<b>(32,052)</b>
Offset within individual entities and tax jurisdictions	(29,841)	(28,839)
<b>Deferred tax assets in the statement of financial position</b>	<b>1,602</b>	<b>1,034</b>
<b>Deferred tax liabilities in the statement of financial position</b>	<b>27,438</b>	<b>33,086</b>

#### Current tax assets and liabilities

	<b>As at 30 September 2024</b>	<b>As at 31 December 2023</b>
Current tax assets	958	1,257
Current tax liabilities (i)	13,016	12

(i) As at the end of September 2024, current tax liability resulted from the simplified method of making advance payments of income tax by the parent.

#### 14. Property, plant and equipment

	<b>As at 30 September 2024</b>	<b>As at 31 December 2023</b>
-		
Buildings and structures	133,471	125,017
Machinery and equipment	138,463	122,664
Vehicles	18,518	16,445
Other	59,018	53,729
Property, plant and equipment under construction	17,650	14,105
<b>Total carrying amount of property, plant and equipment</b>	<b>367,120</b>	<b>331,960</b>

In the statement of financial position, the Group presents right-of-use assets (lease contracts) in the same line item as assets owned by the Group. The assets and the related depreciation expense are presented below.

	<b>As at 30 September 2024</b>	<b>As at 31 December 2023</b>
-		
Buildings and structures	128,804	121,657
Machinery and equipment	70,786	66,201

Vehicles	12,871	11,449
Other	21,142	24,748
Property, plant and equipment under construction	2,685	-
<b>Total carrying amount of property, plant and equipment under right-of-use arrangements</b>	<b>236,288</b>	<b>224,055</b>

	Period ended 30 September 2024	Period ended 30 September 2023
-		
Buildings and structures	18,839	14,400
Machinery and equipment	5,361	5,404
Vehicles	1,303	1,049
Other	852	1,088
<b>Total depreciation of property, plant and equipment under right-of-use arrangements</b>	<b>26,355</b>	<b>21,941</b>

Right-of-use assets are mainly contracts for lease of cars, storage racks, warehouse automation systems, and hardware, as well as office space rental contracts. Items of property, plant and equipment disclosed as used under lease contracts are secured with lessors' rights to leased assets. For information on lease liabilities, see Note 24.

Movements in property, plant and equipment	Buildings and structures	Machinery and equipment	Vehicles	Other property, plant and equipment	Property, plant and equipment under construction	Total
<b>Gross carrying amount as at 31 December 2022</b>	<b>123,507</b>	<b>122,906</b>	<b>24,905</b>	<b>64,571</b>	<b>31,390</b>	<b>367,279</b>
<b>Increase</b>						
Purchase	882	18,191	498	7,023	8,775	<b>35,369</b>
Accounting for property, plant and equipment under construction – purchase	135	2,931	-	102	(3,168)	-
Leases	72,366	6,255	4,501	2,996	-	<b>86,118</b>
Accounting for property, plant and equipment under construction – leases	-	22,601	-	291	(22,892)	-
Other	(12)	-	4	-	-	<b>(8)</b>
<b>Decrease</b>						
Disposal	-	(302)	(397)	(177)	-	<b>(876)</b>
Retirement	(544)	(116)	(129)	(29)	-	<b>(818)</b>
Other	-	(88)	(20)	(4)	-	<b>(112)</b>
<b>Gross carrying amount as at 31 December 2023</b>	<b>196,334</b>	<b>172,378</b>	<b>29,362</b>	<b>74,773</b>	<b>14,105</b>	<b>486,952</b>
<b>Increase</b>						
Purchase	1,503	13,198	428	4,676	4,823	<b>24,628</b>
Accounting for property, plant and equipment under construction – purchase	305	3,000	-	213	(3,518)	-
Leases	26,580	12,601	3,394	4,104	2,685	<b>49,364</b>
<b>Decrease</b>						
Disposal	-	(40)	(258)	(6)	-	<b>(304)</b>
Retirement	(51)	(418)	(19)	(121)	-	<b>(609)</b>
Other	(598)	(7)	(5)	(24)	(445)	<b>(1,079)</b>
<b>Gross carrying amount as at 30 September 2024</b>	<b>224,073</b>	<b>200,712</b>	<b>32,902</b>	<b>83,615</b>	<b>17,650</b>	<b>558,952</b>
<b>Accumulated depreciation as at 31 December 2022</b>	<b>51,124</b>	<b>36,781</b>	<b>11,193</b>	<b>17,101</b>	-	<b>116,199</b>
Depreciation in period	20,700	13,329	2,084	4,057	-	<b>40,170</b>
Disposal	-	(290)	(281)	(77)	-	<b>(648)</b>
Retirement	(507)	(113)	(74)	(7)	-	<b>(701)</b>
Other	-	7	(5)	(30)	-	<b>(28)</b>
<b>Accumulated depreciation as at 31 December 2023</b>	<b>71,317</b>	<b>49,714</b>	<b>12,917</b>	<b>21,044</b>	-	<b>154,992</b>
Depreciation in period	19,337	12,880	1,715	3,609	-	<b>37,541</b>
Disposal	-	(34)	(231)	(3)	-	<b>(268)</b>



Retirement	(51)	(310)	(17)	(53)	-	(431)
Other	(1)	(1)		-	-	(2)
<b>Accumulated depreciation as at 30 September 2024</b>	<b>90,602</b>	<b>62,249</b>	<b>14,384</b>	<b>24,597</b>	<b>-</b>	<b>191,832</b>
<b>Net carrying amount as at 31 December 2023</b>	<b>125,017</b>	<b>122,664</b>	<b>16,445</b>	<b>53,729</b>	<b>14,105</b>	<b>331,960</b>
<b>Net carrying amount as at 30 September 2024</b>	<b>133,471</b>	<b>138,463</b>	<b>18,518</b>	<b>59,018</b>	<b>17,650</b>	<b>367,120</b>

## 15. Intangible assets

	As at 30 September 2024	As at 31 December 2023
-		
Software	23,573	24,592
Intangible assets under development	11,112	10,352
<b>Total carrying amount of intangible assets</b>	<b>34,685</b>	<b>34,944</b>

In the statement of financial position, the Group discloses right-of-use intangible assets (lease contracts) in the same line item as intangible assets owned by the Group. The assets and the related amortisation expense are presented below.

	As at 30 September 2024	As at 31 December 2023
-		
Software	2,445	2,856
<b>Total carrying amount of right-of-use intangible assets</b>	<b>2,445</b>	<b>2,856</b>

	Period ended 30 September 2024	Period ended 30 September 2023
-		
Software	288	350
<b>Total amortisation of right-of-use intangible assets</b>	<b>288</b>	<b>350</b>

Movements in intangible assets	Software	Other intangible assets	Intangible assets under development	Total
<b>Gross carrying amount as at 31 December 2022</b>	<b>32,061</b>	<b>343</b>	<b>12,889</b>	<b>45,293</b>
<b>Increase</b>				
Purchase	3,684	-	7,551	11,235
Accounting for intangible assets under development – purchase	10,088	-	(10,088)	-
Leases	(28)	-	-	(28)
<b>Gross carrying amount as at 31 December 2023</b>	<b>45,805</b>	<b>343</b>	<b>10,352</b>	<b>56,500</b>
<b>Increase</b>				
Purchase	845	-	2,187	3,032
Accounting for intangible assets under development – purchase	1,610	-	(1,610)	-
Other	(183)	-	183	-
<b>Gross carrying amount as at 30 September 2024</b>	<b>48,077</b>	<b>343</b>	<b>11,112</b>	<b>59,532</b>
<b>Accumulated amortisation as at 31 December 2022</b>	<b>17,907</b>	<b>343</b>	<b>-</b>	<b>18,250</b>
Amortisation in period	3,334	-	-	3,334
Other	(28)	-	-	(28)
<b>Accumulated amortisation as at 31 December 2023</b>	<b>21,213</b>	<b>343</b>	<b>-</b>	<b>21,556</b>
Amortisation in period	3,291	-	-	3,291
Other	-	-	-	-
<b>Accumulated amortisation as at 30 September 2024</b>	<b>24,504</b>	<b>343</b>	<b>-</b>	<b>24,847</b>
<b>Net carrying amount as at 31 December 2023</b>	<b>24,592</b>	<b>-</b>	<b>10,352</b>	<b>34,944</b>
<b>Net carrying amount as at 30 September 2024</b>	<b>23,573</b>	<b>-</b>	<b>11,112</b>	<b>34,685</b>

## 16. Investments in other entities

During the period from 1 January to 30 September 2024, there were no changes in investments in other entities compared to the information disclosed in the consolidated full-year financial statements for the year ended 31 December 2023.

## 17. Other financial assets

On 24 January 2024, an agreement was signed with Global One Automotive GmbH of Frankfurt whereby the Company advanced a loan of EUR 750 thousand to Global One. The loan bore interest at 3M EURIBOR plus margin. The agreement was concluded for a definite term from 1 February 2024 to 31 July 2024. The Company holds 6.25% of shares in Global One Automotive GmbH as a participant in the International Purchasing Group (since 2017). The loan principal and interest were repaid on 25 July 2024 and 16 August 2024, respectively.

There were no financial assets measured at fair value through profit or loss.

## 18. Inventories and contract assets

### 18.1 Inventories

Merchandise is stored in central and subsidiary warehouses and is, in principle, fully insured against theft, burglary, robbery, fire, and other natural disasters (except where the insurer has excluded specific risks or reduced the indemnification amount for such risks).

	As at 30 September 2024	As at 31 December 2023
Merchandise	1,097,073	1,014,290
Write-downs	(8,199)	(7,923)
<b>Total</b>	<b>1,088,874</b>	<b>1,006,367</b>

### Change in inventory write-downs

The cost of inventory write-downs comprises write-downs of inventories to their net realisable value as well as write-downs for merchandise that is of inferior quality or damaged.

	Period ended 30 September 2024	Period ended 30 September 2023
-		
<b>At beginning of period</b>	<b>(7,923)</b>	<b>(9,169)</b>
Decrease	2,707	3,816
Increase	(2,983)	(2,624)
<b>As at end of period</b>	<b>(8,199)</b>	<b>(7,977)</b>

### Inventories pledged as security

The Group created a registered pledge over inventories as security for bank borrowings. The amount of liabilities secured with the pledge is presented below.

	As at 30 September 2024	As at 31 December 2023
-		

Liabilities secured with pledge over inventories	210,925	255,586
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## 18.2 Contract assets

Customers may freely return purchased merchandise within 14 days from the purchase date, provided that the merchandise does not bear any traces of use. Warranty replacements are governed by the applicable provisions of the Polish Civil Code. The Group estimated the value of future adjustments to sales to reflect returns by customers based on historical data on returns and the current period's turnover. An asset is created in connection with the recognition of an estimated decrease in the cost of merchandise sold relating to the estimated right to return merchandise.

	As at 30 September 2024	As at 31 December 2023
Contract assets	24,590	19,366

## 19. Trade and other receivables

	As at 30 September 2024	As at 31 December 2023
Trade receivables due within 12 months	230,322	203,558
Trade receivables due in more than 12 months	3,153	2,570
Trade receivables from suppliers	107,296	110,668
Credit loss allowances for trade receivables	(11,534)	(9,863)
<b>Total trade receivables</b>	<b>329,237</b>	<b>306,933</b>
Receivables from card system operators	4,277	1,438
Rent deposits receivable	2,466	2,081
Other financial receivables	4,688	4,568
Credit loss allowances for other financial receivables	(867)	(867)
<b>Total trade and other financial receivables</b>	<b>339,801</b>	<b>314,153</b>
Prepaid deliveries	22,531	17,069
Prepayments and accrued income	11,490	7,999
VAT tax to be settled in future periods/refunded to bank account	20,895	21,187
Other non-financial receivables	1,523	1,117
<b>Total non-financial receivables</b>	<b>56,439</b>	<b>47,372</b>
<b>Total trade and other receivables</b>	<b>396,240</b>	<b>361,525</b>
Other long-term receivables	4,741	4,494
Trade and other receivables	391,499	357,031
<b>Total trade and other receivables</b>	<b>396,240</b>	<b>361,525</b>

The change in the amount of the credit loss allowances for trade receivables is presented below.

	Period ended 30 September 2024	Period ended 30 September 2023
-		
<b>At beginning of period</b>	<b>(9,863)</b>	<b>(8,223)</b>
(Recognition)/Decrease	(3,352)	(1,538)
Write-off	1,681	466

<b>As at end of period</b>	<b>(11,534)</b>	<b>(9,295)</b>
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### Trade and other receivables pledged as security

Trade receivables are pledged as security for bank borrowings. The amount of receivables pledged as security in the reporting periods is presented below.

	<b>As at 30 September 2024</b>	<b>As at 31 December 2023</b>
Receivables pledged as security	158,705	110,910

## 20. Cash

	<b>As at 30 September 2024</b>	<b>As at 31 December 2023</b>
Cash in hand	1,803	2,610
Cash at banks	38,040	26,155
Cash in bank deposits	8,188	745
Cash in transit	799	7,814
Other cash	-	36
<b>Total cash and cash equivalents in the consolidated statement of financial position</b>	<b>48,830</b>	<b>37,360</b>
in PLN	17,348	18,176
in other currencies (including measurement)	31,482	19,184
<b>Total</b>	<b>48,830</b>	<b>37,360</b>
<i>including restricted cash – split payment accounts</i>	<i>6,879</i>	<i>3,834</i>

## 21. Share capital

During the period from 1 January to 30 September 2024, there were no changes in the share capital relative to 31 December 2023.

### Undistributed profit

	<b>Period ended 30 September 2024</b>	<b>Period ended 31 December 2023</b>
Changes in retained earnings		
<b>Retained earnings at beginning of period</b>	<b>223,586</b>	<b>207,268</b>
Net profit attributable to owners	147,424	223,586
Dividend paid	(19,593)	(19,593)
Transfer to statutory reserve funds	(203,993)	(187,675)
<b>Retained earnings at end of period</b>	<b>147,424</b>	<b>223,586</b>

### Dividend for 2023

On 28 March 2024, the Management Board of the Company passed a resolution to recommend a dividend payment for the financial year 2023 to the Annual General Meeting.

Pursuant to the resolution, the Management Board recommended a dividend payment to the Company's shareholders totalling PLN 19,593,000, or PLN 0.15 per share. At its meeting held on 10 April 2024, the Supervisory Board resolved to endorse the Management Board's recommendation. At its meeting held on 24 May 2024, the Annual General Meeting resolved to pay dividend in accordance with the recommendation, setting 3 June 2024 as the dividend record date. The dividend was paid on 18 June 2024.

## 22. Borrowings

	As at 30 September 2024	As at 31 December 2023
<b>Unsecured – at amortised cost</b>		
Borrowings from related entities	27,254	27,250
	<b>27,254</b>	<b>27,250</b>
<b>Secured – at amortised cost</b>		
Overdraft facilities	68,910	109,540
Credit facilities	164,694	163,491
	<b>233,604</b>	<b>273,031</b>
<b>Total borrowings</b>	<b>260,858</b>	<b>300,281</b>
Non-current liabilities	122,629	104,146
Current liabilities (i)	138,229	196,135
<b>Total borrowings</b>	<b>260,858</b>	<b>300,281</b>

(i) The Group discloses all overdraft facilities as current liabilities, regardless of the contract facility term.

Credit facility and loan agreements:

	Agreement	Repayment date	Limit	Currency	As at 30 September 2024	As at 31 December 2023
<b>ING Bank Śląski S.A.</b>	Multi-product facility agreement No. <b>882/2015/00000925/00</b> of 19 October 2015	10 Oct 2027	177,000			
	working capital overdraft facility			PLN	41,705	74,207
	working capital facility in credit account			PLN	67,000	70,560
<b>Santander Bank Polska S.A.</b>	Multi-facility agreement No. <b>K00922/16</b> of 26 September 2016	31 Mar 2025	90,000			
	working capital overdraft facility			PLN	-	-
	working capital facility in credit account			PLN	50,000	50,326
<b>mBank S.A.</b>	Overdraft facility agreement No. <b>11/145/19/Z/VV</b> of 22 October 2019	30 Sep 2025	50,000			
	working capital overdraft facility			PLN	-	-
	working capital overdraft facility			EUR	-	419
<b>mBank S.A.</b>	Working capital facility in credit account agreement No. <b>11/026/23/Z/LE</b> of 5 April 2023	13 Dec 2024	15,000			
	working capital facility in credit account			PLN	15,000	15,000
<b>BNP Paribas Bank Polska S.A.</b>	Multi-purpose credit facility agreement No. <b>WAR/8806/21/537/CB</b> of 13 September 2021	15 Sep 2026	50,000			
	working capital overdraft facility			PLN	4,658	34,875
	working capital overdraft facility			EUR	22,547	39
<b>BNP Paribas Bank Polska S.A.</b>	Revolving credit facility agreement No. <b>WAR/8806/22/17/CB</b> of 24 January 2022	15 Sep 2026	25,000			
	working capital facility in credit account			PLN	25,015	25,160
<b>Credit Agricole Bank Polska S.A.</b>	Investment credit facility agreement No. <b>KRI/S/8/2022</b> of 13 September 2022	16 Sep 2028	15,000			
	investment credit facility in credit account			PLN	7,679	2,445
<b>Credit Agricole Bank Polska S.A.</b>	Investment credit facility agreement No. <b>KRI/S/24/2024</b> of 5 September 2024	12 Sep 2029	10,000			
	investment credit facility in credit account			PLN	-	-

<b>Katarzyna Górecka and Aleksander Górecki</b>	Loan agreement of 2 January 2014 (as amended)	31 Dec 2026	26,700	
	loan agreement		PLN	27,254 27,250
<b>Total</b>				<b>260,858 300,281</b>

In the third quarter of 2024, the following changes in credit agreements took place:

- 1) On 5 September 2024, the Company and Credit Agricole Bank Polska S.A. signed investment credit facility agreement No. KRI/S/24/2024 for PLN 10,000 thousand to finance and refinance investment expenditure; the facility is repayable by 12 September 2029. The agreement is secured with: 1) registered pledge over the equipment financed with funds drawn on the facility, for up to 120% of the amount disbursed by the Bank under the facility, 2) assignment of any claims under insurance policies covering the equipment financed with funds drawn on the facility, for up to 120% of the amount disbursed by the Bank under the facility, 3) notarised consent to enforcement under Art. 777.1 of the Code of Civil Procedure in respect of obligations under the Agreement, with wording acceptable to the Bank, for up to PLN 12,000 thousand, 4) shareholder loan subordination agreement for an amount of no less than PLN 26,700 thousand. The interest rate was set at 1M WIBOR plus margin.
- 2) On 25 September 2024, the Company and ING Bank Śląski S.A. executed Amendment 23 to multi-product facility agreement no. 882/2015/00000925/00 of 19 October 2015. The Amendment extended the availability period of the PLN 177,000 thousand credit facility until 9 October 2027. The other terms of the agreement remain unchanged.

For a description of changes to the concluded credit facility agreements that took place after the reporting date, see Note 29.

## 23. Trade and other payables

### 23.1 Trade and other payables

	As at 30 September 2024	As at 31 December 2023
Trade payables due within 12 months	278,483	173,160
Trade receivables from suppliers	(83,293)	(33,702)
Taxes, customs duties, social security and other benefits payable	10,200	6,308
Liabilities arising from acquisition of property, plant and equipment and intangible assets	582	8,051
Other liabilities	250	290
	<b>206,222</b>	<b>154,107</b>
Current liabilities	206,222	154,107
<b>Total</b>	<b>206,222</b>	<b>154,107</b>

### 23.2 Contract liabilities

	As at 30 September 2024	As at 31 December 2023
Contract liabilities	926	593
Right-of-return liabilities (i)	33,354	26,303
<b>Total</b>	<b>34,280</b>	<b>26,896</b>

(i) Customers may freely return purchased merchandise within 14 days from the purchase date, provided that the merchandise does not bear any traces of use. Warranty replacements are governed by the applicable provisions of the Polish Civil Code. The Group estimated the value of future adjustments to sales to reflect returns by customers based on historical data on returns and the current period's turnover.

## 24. Financial liabilities under lease contracts

	As at 30 September 2024	As at 31 December 2023
Present value of lease liabilities		
Long-term lease liabilities	170,057	152,413
Short-term lease liabilities	34,587	37,306
<b>Total</b>	<b>204,644</b>	<b>189,719</b>

Financial liabilities under lease contracts are related mainly to property, plant and equipment. For disclosures relating to depreciation of property, plant and equipment and amortisation of right-of-use intangible assets, see Notes 14 and 15. For information on interest expense, see Note 12.

IFRS 16 provides for exceptions to the lessee's general lease model for short-term leases and leases of low-value assets. In such cases, the Group does not recognise any right-of-use assets or lease liabilities. Provided below are the amounts expensed:

	Period ended 30 September 2024	Period ended 30 September 2023
Cost of short-term leases (i)	10,534	8,409
Cost of leases not disclosed due to the low value of underlying assets (ii)	1,441	1,166
<b>Total</b>	<b>11,975</b>	<b>9,575</b>

(i) The Group applies a practical expedient to short-term leases in the case of property lease contracts made for an indefinite period which may be terminated on short notice (up to 12 months), which do not involve any special space adaptation or material barriers to exit, i.e., penalties for early termination, and the Group has the practical ability to lease such space on the market. Costs of some of the lease contracts are also re-charged to the cooperating affiliates.

(ii) The Group applies a practical expedient to leases of low-value assets, mainly small office and other equipment, such as printers, payment terminals, waste containers, etc.

	As at 30 September 2024	As at 31 December 2023
Present value of future lease liabilities (iii)	139,641	97,346

(iii) The Group entered into contracts which will be classified as leases under IFRS 16. However, the liabilities under these contracts were not disclosed as at the reporting date because the leased assets were not made available for use by the Group by 30 September 2024. These contracts are property leases and contracts for warehouse equipment, including primarily a lease contract (PLN 60,234 thousand) and warehouse racks and automation systems for the new logistics and storage centre in Zgorzelec (PLN 76,520 thousand).

## 25. Employee benefit obligations and provisions

	As at 30 September 2024	As at 31 December 2023
Salaries and wages payable	13,553	12,569
Social security and Employee Capital Plan obligations	13,169	11,877
Provision for accrued holiday entitlements	6,669	6,370
Provision for retirement and disability benefit obligations	1,079	898

Obligation under the Incentive Scheme for 2022 (i)	1,160	3,480
	<b>35,630</b>	<b>35,194</b>
Long-term employee benefit obligations and provisions	936	1,927
Short-term employee benefit obligations and provisions	34,694	33,267
<b>Total</b>	<b>35,630</b>	<b>35,194</b>

The table below shows changes in provisions:

	Period ended 30 September 2024	Period ended 30 September 2023
Provision for accrued holiday entitlements	(299)	(993)
Provision for retirement and disability benefit obligations	(181)	(288)
Provision for obligations under the Incentive Scheme for 2020	-	538
Provision for obligations under the Incentive Scheme for 2022 (i)	2,320	8,120
<b>Total change</b>	<b>1,840</b>	<b>7,377</b>

	obligations as at 31 December 2023	bonus paid in 2024	obligations as at 30 September 2024
(i) bonus granted for 2022			
Company's Management Board	2,280	(1,520)	760
Subsidiary's Management Board	1,200	(800)	400
	<b>3,480</b>	<b>(2,320)</b>	<b>1,160</b>

## 26. Categories of financial instruments

	As at 30 September 2024	As at 31 December 2023
<b>Financial assets</b>		
<b>Measured at fair value through profit or loss:</b>	-	-
<b>Measured at amortised cost:</b>	<b>388,631</b>	<b>351,513</b>
<i>Cash</i>	48,830	37,360
<i>Trade and other financial receivables</i>	339,801	314,153
<i>Loans</i>	-	-
Financial assets excluded from the scope of IFRS 9 – shares	110	110
<b>Financial liabilities</b>		
<b>Measured at fair value through profit or loss:</b>	-	-
<b>Measured at amortised cost:</b>	<b>457,556</b>	<b>448,383</b>
<i>Trade payables</i>	195,190	139,458
<i>Contract liabilities</i>	926	593
<i>Liabilities arising from acquisition of property, plant and equipment and intangible assets</i>	582	8,051
<i>Borrowings</i>	260,858	300,281
Financial liabilities outside the scope of IFRS 9 – lease liabilities	34,587	37,306

### Fair value

In the opinion of the Management Board, the carrying amounts of financial assets and liabilities disclosed in these financial statements approximate their fair values.



## 27. Related-party transactions

All transactions with related parties are made on an arm's length basis. Transactions between the parent and its related parties were eliminated on consolidation and are not presented in this note. Detailed information about transactions between the Group and other related parties is presented below.

Below are presented transactions with entities with personal links to members of the Management Board and the Supervisory Board and transactions with members of the management boards of the subsidiaries.

	Period ended 30 September 2024	Period ended 30 September 2023
<b>Sales of merchandise and services and other income</b>		
entities related to members of the Management Board and the Supervisory Board	76	56
<i>including:</i>		
<i>sales of merchandise</i>	3	-
<i>re-charge of costs</i>	73	56
members of subsidiaries' Management Boards	11	12
<i>including:</i>		
<i>sales of merchandise</i>	-	1
<i>re-charge of costs</i>	11	11
<b>Total</b>	<b>87</b>	<b>68</b>

	Period ended 30 September 2024	Period ended 30 September 2023
<b>Purchase of merchandise and services and other purchases</b>		
entities related to members of the Management Board and the Supervisory Board	1,688	1,675
<i>including:</i>		
<i>purchase of services</i>	1,688	1,675
members of subsidiaries' Management Boards	559	517
<i>including:</i>		
<i>purchase of services</i>	559	517
<b>Total</b>	<b>2,247</b>	<b>2,192</b>

	As at 30 September 2024	As at 31 December 2023
<b>Receivables</b>		
entities related to members of the Management Board and the Supervisory Board	54	55
members of subsidiaries' Management Boards	2	1
<b>Total</b>	<b>56</b>	<b>56</b>

	As at 30 September 2024	As at 31 December 2023
<b>Liabilities</b>		
entities related to members of the Management Board and the Supervisory Board	217	199
members of subsidiaries' Management Boards	65	36
<b>Total</b>	<b>282</b>	<b>235</b>

Presented below are transactions with and remuneration of members of the Management Board and the Supervisory Board.

	Period ended 30 September 2024	Period ended 30 September 2023
<b>Sales of merchandise and services and other income</b>		
Members of the Management Board	361	28
<i>including:</i>		

<i>re-charge of costs</i>	361	28
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<b>Total</b>	<b>361</b>	<b>28</b>
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	<b>As at 30 September 2024</b>	<b>As at 31 December 2023</b>
<b>Receivables</b>		
Members of the Management Board	87	97
<b>Total</b>	<b>87</b>	<b>97</b>

	<b>Period ended 30 September 2024</b>	<b>Period ended 30 September 2023</b>
<b>Salaries</b>		
Members of the Management Board	1,136	792
Members of subsidiaries' Management Boards	180	180
Supervisory Board	196	173
<b>Total</b>	<b>1,512</b>	<b>1,145</b>

	<b>As at 30 September 2024</b>	<b>As at 31 December 2023</b>
<b>Obligations under the Incentive Scheme</b>		
Members of the Management Board (Note 25)	760	2,280
Members of subsidiaries' Management Boards (Note 25)	400	1,200
<b>Total</b>	<b>1,160</b>	<b>3,480</b>

Loans from related entities are presented below.

	<b>As at 30 September 2024</b>	<b>As at 31 December 2023</b>
Loan advanced by Katarzyna Górecka and Aleksander Górecki (i) (Note 22)	27,254	27,250
<b>Total</b>	<b>27,254</b>	<b>27,250</b>

	<b>Period ended 30 September 2024</b>	<b>Period ended 30 September 2023</b>
<b>Finance costs</b>		
Interest expense recognised	(1,653)	(1,864)
<b>Total</b>	<b>(1,653)</b>	<b>(1,864)</b>

(i) Aleksander Górecki, as the sole founder of Turzyńska Fundacja Rodzinna (the "Foundation"), a beneficiary of the Foundation, member of the Foundation's Beneficiaries' Meeting and member of the Foundation's Management Board, indirectly holds Company shares through the Foundation, representing 43.60% of the Company's share capital and 43.60% of total voting rights at the Company's General Meeting. Mr Górecki also serves as President of the Management Board of the Company. Katarzyna Górecka is a member of the Beneficiaries' Meeting of Turzyńska Fundacja Rodzinna and is a Beneficiary of the Foundation.

## 28. Contingent liabilities, future contract liabilities, sureties provided and received, and contingent assets

As at 30 September 2024, the Group held the following bank guarantees:

– EUR 951 thousand bank guarantee No. DOK2419GWB20AR of 27 July 2020, provided in connection with a lease contract for a property in Bieruń, valid until 15 July 2026, granted within the credit limit of the facility provided by Santander Bank Polska S.A.

- EUR 190 thousand bank guarantee No. DOK2418GWB20TI of 27 July 2020, provided in connection with a lease contract for a property in Pruszków, valid until 31 December 2024, granted within the credit limit of the facility provided by Santander Bank Polska S.A.
- EUR 213 thousand bank guarantee No. DOK4042GWB21KW of 13 October 2021, provided in connection with a lease contract for a property in Poznań, valid until 29 June 2025, granted within the credit limit of the facility provided by Santander Bank Polska S.A.
- EUR 528 thousand bank guarantee No. DOK1141GWB22WS of 25 March 2022 (as amended), provided in connection with a lease contract for a property in Mysłowice, valid until 30 September 2025, granted within the credit limit of the facility provided by Santander Bank Polska S.A.
- PLN 68 thousand bank guarantee No. DOK1330GWB22KW of 12 April 2022, provided in connection with a lease contract for a property in Tychy, valid until 31 March 2025, granted within the credit limit of the facility provided by Santander Bank Polska S.A.
- PLN 2,000 thousand bank guarantee No. KLG87054IN23 of 3 April 2023, provided in connection with a distribution agreement, valid until 31 December 2024, granted within the credit limit of the facility provided by ING Bank Śląski S.A.
- PLN 3,000 thousand bank guarantee No. KLG95891IN24 of 12 June 2024, provided in connection with a distribution agreement, valid until 31 December 2026, granted within the credit limit of the facility provided by ING Bank Śląski S.A.

## 29. Events subsequent to the reporting date

On 25 October 2024, the Company and BNP Paribas Bank Polska S.A. executed:

- 1) Amendment 2 to revolving credit facility agreement no. WAR/8806/22/17/CB of 24 January 2022. The Amendment extended the availability period of the credit facility until 15 September 2026.
- 2) Amendment 4 to multi-purpose credit facility agreement no. WAR/8806/21/537/CB of 13 September 2021. The Amendment extended the availability period of the credit facility until 15 September 2026.

After the reporting date, the Company established the following subsidiaries:

On 13 November 2024, a memorandum of incorporation was signed for a foreign limited liability company based in the Czech Republic (Společnost s Ručením Omezeným), with a share capital of Kč 20,000. All shares in the newly established company were subscribed for cash by AUTO PARTNER S.A.

On 13 November 2024, a memorandum of incorporation was signed for a foreign limited liability company based in Germany (Gesellschaft mit beschränkter Haftung), with a share capital of EUR 25,000. All shares in the newly established company were subscribed for cash by AUTO PARTNER S.A.

The business of the two new companies will include both sales and marketing support, as well as potentially providing warehousing services to Auto Partner S.A. if a decision is made to establish warehouse hubs in Germany or the Czech Republic in the future.

On 15 November 2024, bank guarantee no. KLG99214IN24 was issued under a guarantee facility with ING Bank Śląski S.A. for a lease contract concerning the HUB storage facility in Zgorzelec. The guarantee amount is EUR 655 thousand. The guarantee takes effect on 29 November 2024 and expires on 14 November 2027.

## 30. Impact of the Russian Federation's military invasion of Ukraine on the Group's business

The Group did not identify any impact of the war in Ukraine on its operations in the three months to 30 September 2024. The Group's exposure to the Ukrainian market is negligible, accounting for less than 0.5% of its monthly revenue. The Group continues the suspension of its business in the Russian and Belarusian markets, and has closed all its representative offices and discontinued the export of aftermarket parts to both Russia and Belarus. Before 24 February 2022, the Group's exports to the Russian and Belarusian markets accounted for 0.1% and 0.02%, respectively, of its monthly revenue.

As at the date of these financial statements, the situation in Ukraine did not have a material impact, whether direct or indirect, on the Group's operations, business continuity and financial condition. There were no indications of asset impairment linked to the conflict in Ukraine, as the Group does not possess any non-financial assets in Ukraine that could be affected by military operations there. Assuming that the armed conflict in Ukraine continues on its current course without spreading to neighbouring countries (particularly Poland and other EU nations), it is not expected to significantly affect the Group's sales volume, cash flows, or profitability, as has been the case so far.

However, it is important to note that while this assessment reflects the best knowledge of the Management Board, the actual impact may differ, given the unpredictability of how the Russian Federation's military actions in Ukraine might develop and affect the economic situation in Poland and Europe, as well as the uncertainty about their potential impact on the Group's sales volumes, cash flows, and profitability. The Management Board is monitoring the situation to the extent it could potentially affect the Company's business in future periods.

## II. Quarterly financial information of the parent for the three months ended 30 September 2024

### Condensed separate interim statement of comprehensive income

	Note	for 3 months ended		for 9 months ended	
		30 September 2024	30 September 2023	30 September 2024	30 September 2023
		unaudited figures	unaudited figures	unaudited figures	unaudited figures
<b>STATEMENT OF PROFIT OR LOSS</b>					
Revenue from contracts with customers		1,061,721	958,536	3,119,780	2,734,204
Cost of sales		(784,386)	(701,392)	(2,305,086)	(2,020,840)
<b>Gross profit</b>		<b>277,335</b>	<b>257,144</b>	<b>814,694</b>	<b>713,364</b>
Distribution costs and marketing expenses		(118,560)	(103,424)	(353,822)	(296,871)
Warehousing costs		(77,127)	(59,680)	(230,686)	(173,541)
Management and administrative expenses		(10,118)	(9,443)	(31,292)	(26,893)
Other gains/(losses), net		(645)	(2,020)	(3,205)	(232)
Other income		218	36	572	139
Other expenses		(2,195)	(467)	(3,701)	(1,048)
<b>Operating profit</b>		<b>68,908</b>	<b>82,146</b>	<b>192,560</b>	<b>214,918</b>
Finance income		(580)	3,821	4,509	13,606
Finance costs		(8,244)	(6,875)	(20,814)	(21,364)
<b>Profit before tax</b>		<b>60,084</b>	<b>79,092</b>	<b>176,255</b>	<b>207,160</b>
Income tax		(11,931)	(14,019)	(33,936)	(37,824)
<b>Profit from continuing operations</b>		<b>48,153</b>	<b>65,073</b>	<b>142,319</b>	<b>169,336</b>
<b>Net profit</b>		<b>48,153</b>	<b>65,073</b>	<b>142,319</b>	<b>169,336</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Net other comprehensive income		-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>48,153</b>	<b>65,073</b>	<b>142,319</b>	<b>169,336</b>
<b>Earnings per share (PLN per share)</b>					
basic earnings per share from continuing operations (PLN)		0.37	0.50	1.09	1.30
<b>Basic earnings per share (PLN)</b>		<b>0.37</b>	<b>0.50</b>	<b>1.09</b>	<b>1.30</b>
diluted earnings per share from continuing operations (PLN)		0.37	0.50	1.09	1.30
<b>Diluted earnings per share (PLN)</b>		<b>0.37</b>	<b>0.50</b>	<b>1.09</b>	<b>1.30</b>

## Condensed separate interim statement of financial position

	Note	As at 30 September 2024	As at 30 June 2024	As at 31 December 2023	As at 30 September 2023
		unaudited figures	unaudited figures		unaudited figures
<b>ASSETS</b>					
<b>Non-current assets</b>					
Intangible assets		34,685	34,670	34,944	33,628
Property, plant and equipment		364,873	362,917	329,607	265,456
Investments in related entities		45,443	45,443	45,443	45,443
Investments in other entities		110	110	110	110
Other long-term receivables		4,619	4,861	4,368	4,491
<b>Total non-current assets</b>		<b>449,730</b>	<b>448,001</b>	<b>414,472</b>	<b>349,128</b>
<b>Current assets</b>					
Inventories		989,289	977,453	938,505	894,539
Contract assets		24,590	23,552	19,366	18,946
Trade and other receivables		390,146	354,971	360,543	339,482
Other financial assets		-	3,305	-	1
Current tax assets		-	-	1,257	-
Cash and cash equivalents		39,514	30,100	32,386	18,000
<b>Total current assets</b>		<b>1,443,539</b>	<b>1,389,381</b>	<b>1,352,057</b>	<b>1,270,968</b>
<b>Total assets</b>		<b>1,893,269</b>	<b>1,837,382</b>	<b>1,766,529</b>	<b>1,620,096</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital issued		13,062	13,062	13,062	13,062
Share premium		106,299	106,299	106,299	106,299
Other components of equity		2,103	2,103	2,103	2,103
Retained earnings		1,069,998	1,021,845	947,272	895,583
<b>Total equity</b>		<b>1,191,462</b>	<b>1,143,309</b>	<b>1,068,736</b>	<b>1,017,047</b>
<b>Non-current liabilities</b>					
Long-term borrowings		122,629	56,566	104,145	84,409
Lease liabilities		169,454	169,392	151,414	104,665
Employee benefit obligations and provisions		936	895	1,527	2,182
Deferred tax liabilities		28,777	21,792	36,781	24,024
<b>Total non-current liabilities</b>		<b>321,796</b>	<b>248,645</b>	<b>293,867</b>	<b>215,280</b>
<b>Current liabilities</b>					
Trade and other payables		163,756	242,247	139,796	195,843
Contract liabilities		34,279	33,091	26,896	26,460
Short-term borrowings		93,586	72,148	159,681	80,615
Lease liabilities		34,140	32,993	36,866	37,219
Current tax liabilities		13,016	18,971	-	8,966
Employee benefit obligations and provisions		34,066	37,757	32,251	29,284
Short-term provisions		7,168	8,221	8,436	9,382
<b>Total current liabilities</b>		<b>380,011</b>	<b>445,428</b>	<b>403,926</b>	<b>387,769</b>
<b>Total liabilities</b>		<b>701,807</b>	<b>694,073</b>	<b>697,793</b>	<b>603,049</b>
<b>Total equity and liabilities</b>		<b>1,893,269</b>	<b>1,837,382</b>	<b>1,766,529</b>	<b>1,620,096</b>

## Condensed separate interim statement of cash flows

indirect method	for 9 months ended		
	Note	30 September	30 September
		2024	2023
	unaudited figures	unaudited figures	
<b>Cash flows from operating activities</b>			
<b>Profit before tax</b>	<b>176,255</b>	<b>207,160</b>	
<b>Adjustments:</b>	<b>(1,088)</b>	<b>21,453</b>	
Depreciation and amortisation	40,372	31,146	
Foreign exchange gains/(losses)	2,451	(942)	
Adjustments for gains/(losses) on sale of non-current assets	180	57	
Other adjustments with cash flows from financing or investing activities	(122)	-	
Adjustments for finance costs	18,510	20,977	
Adjustments for finance income	(168)	(168)	
Gain on interest in subsidiary	(3,983)	(12,973)	
Change in inventories	(50,784)	7,183	
Change in contract assets	(5,224)	(5,362)	
Change in trade and other receivables	(41,087)	(50,646)	
Change in trade and other payables	31,427	21,876	
Change in contract liabilities	7,384	7,149	
Change in employee benefit obligations and provisions	(44)	3,156	
<b>Cash from operating activities</b>	<b>175,167</b>	<b>228,613</b>	
Income tax paid	(27,667)	(43,521)	
<b>Net cash from operating activities</b>	<b>147,500</b>	<b>185,092</b>	
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment and intangible assets	(35,794)	(30,383)	
Disposal of property, plant and equipment and intangible assets	43	124	
Gains on share in profit or loss of subsidiaries	13,765	13,213	
Loans	(3,260)	(3,537)	
Repayment of loans	3,210	3,540	
Interest received	122	104	
<b>Net cash from investing activities</b>	<b>(21,914)</b>	<b>(16,939)</b>	
<b>Cash flows from financing activities</b>			
Dividend paid	(19,593)	(19,593)	
Borrowings repaid	(46,914)	(111,267)	
Payment of lease liabilities	(33,520)	(31,333)	
Interest and fees paid	(18,120)	(19,649)	
Other cash used in financing activities – corporate surety	(510)	(509)	
Other cash provided by financing activities – corporate surety	168	168	
<b>Net cash from financing activities</b>	<b>(118,489)</b>	<b>(182,183)</b>	
<b>Change in cash before exchange rate changes</b>	<b>7,097</b>	<b>(14,030)</b>	
Effect of exchange rate changes on cash	31	(1)	
<b>Net change in cash</b>	<b>7,128</b>	<b>(14,031)</b>	
<b>Cash and cash equivalents at beginning of period</b>	<b>32,386</b>	<b>32,031</b>	
<b>Cash and cash equivalents at end of period</b>	<b>39,514</b>	<b>18,000</b>	

## Condensed separate interim statement of changes in equity

	Share capital issued	Share premium	Capital from issue of warrants	Retained earnings	Total equity
<b>As at 1 January 2024</b>	<b>13,062</b>	<b>106,299</b>	<b>2,103</b>	<b>947,272</b>	<b>1,068,736</b>
Net profit	-	-	-	142,319	142,319
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>142,319</b>	<b>142,319</b>
Dividends paid	-	-	-	(19,593)	(19,593)
<b>Total changes in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>122,726</b>	<b>122,726</b>
<b>As at 30 September 2024 (unaudited)</b>	<b>13,062</b>	<b>106,299</b>	<b>2,103</b>	<b>1,069,998</b>	<b>1,191,462</b>

	Share capital issued	Share premium	Capital from issue of warrants	Retained earnings	Total equity
<b>As at 1 January 2023</b>	<b>13,062</b>	<b>106,299</b>	<b>2,103</b>	<b>745,840</b>	<b>867,304</b>
Net profit	-	-	-	221,025	221,025
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>221,025</b>	<b>221,025</b>
Dividends paid	-	-	-	(19,593)	(19,593)
<b>Total changes in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>201,432</b>	<b>201,432</b>
<b>As at 31 December 2023</b>	<b>13,062</b>	<b>106,299</b>	<b>2,103</b>	<b>947,272</b>	<b>1,068,736</b>

	Share capital issued	Share premium	Capital from issue of warrants	Retained earnings	Total equity
<b>As at 1 January 2023</b>	<b>13,062</b>	<b>106,299</b>	<b>2,103</b>	<b>745,840</b>	<b>867,304</b>
Net profit	-	-	-	169,336	169,336
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>169,336</b>	<b>169,336</b>
Dividends paid	-	-	-	(19,593)	(19,593)
<b>Total changes in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>149,743</b>	<b>149,743</b>
<b>As at 30 September 2023 (unaudited)</b>	<b>13,062</b>	<b>106,299</b>	<b>2,103</b>	<b>895,583</b>	<b>1,017,047</b>

## Notes

### 1. Statement of compliance and basis of accounting

These interim condensed separate financial statements (these “financial statements”) of Auto Partner S.A. for the nine months from 1 January to 30 September 2024 have been prepared in accordance with IAS 34 *Interim Financial Reporting* and do not include all the information and disclosures required to be included in full-year separate financial statements. These interim condensed separate financial statements should be read in conjunction with the audited full-year separate financial statements for the year ended 31 December 2023 prepared in accordance with IFRS.

The accounting policies applied in the preparation of these condensed separate financial statements are consistent with the policies applied in the preparation of the full-year separate financial statements for the financial year ended 31 December 2023.



These condensed separate interim financial statements have been prepared on a going concern basis. As at the date of authorisation of these financial statements, there were no circumstances indicating any threat to the Group's ability to continue as a going concern.

All amounts in these interim condensed separate financial statements are presented in PLN thousands, unless indicated otherwise.

## 2. Material judgements and estimates

The preparation of financial statements in accordance with IFRS requires the Management Board of the Company to use judgements and estimates which affect the applied accounting policies and the amounts of reported assets, liabilities, income and expenses. Judgements and estimates are reviewed on an ongoing basis. A change in estimates is recognised in profit or loss for the period in which the change occurred. During the reporting period, there were no material changes in judgements and estimates.

## 3. Seasonality

The sale of spare parts and accessories, which constitutes the principal business activity of the Company, is subject to seasonal fluctuations during the year. The highest sale volumes are recorded in the spring season (March to April/May) and in autumn (October and November), and additionally during summer months, while being relatively the lowest in winter. The seasonality of sales is reflected in higher demand for merchandise, which results in a seasonal increase in purchases of merchandise and the amount of related trade payables before the high seasons, especially spring.

## 4. Transactions with subsidiaries

All transactions with related parties are made on an arm's length basis. Below are presented transactions with subsidiaries.

	Period ended 30 September 2024	Period ended 30 September 2023
<b>Sales of merchandise and services and other income</b>		
<b>Maxgear Sp. z o.o. Sp. komandytowa</b>	<b>6,764</b>	<b>6,481</b>
<i>including:</i>		
<i>sales of merchandise</i>	<i>1</i>	<i>3</i>
<i>sales of services</i>	<i>6,637</i>	<i>6,126</i>
<i>re-charge of costs</i>	<i>126</i>	<i>352</i>
<b>AP Auto Partner CZ s.r.o.</b>	<b>29,073</b>	<b>20,941</b>
<i>including:</i>		
<i>sales of merchandise</i>	<i>28,762</i>	<i>20,740</i>
<i>sales of services</i>	<i>206</i>	<i>144</i>
<i>re-charge of costs</i>	<i>105</i>	<i>57</i>
<b>Total</b>	<b>35,837</b>	<b>27,422</b>
	Period ended 30 September 2024	Period ended 30 September 2023
<b>Finance income</b>		
<b>Maxgear Sp. z o.o. Sp. komandytowa</b>	<b>4,151</b>	<b>12,032</b>
<i>including:</i>		
<i>share of profit</i>	<i>3,983</i>	<i>11,864</i>
<i>corporate surety</i>	<i>168</i>	<i>168</i>
<b>Maxgear Sp. z o.o.</b>	<b>-</b>	<b>1,109</b>
<i>including:</i>		
<i>distribution of dividend from statutory reserve funds</i>	<i>-</i>	<i>1,109</i>

<b>Total</b>	<b>4,151</b>	<b>13,141</b>
	<b>Period ended 30 September 2024</b>	<b>Period ended 30 September 2023</b>
<b>Finance costs</b>		
<b>Maxgear Sp. z o.o. Sp. komandytowa</b>	<b>(510)</b>	<b>(509)</b>
<i>including:</i>		
<i>corporate surety</i>	<i>(510)</i>	<i>(509)</i>
<b>Total</b>	<b>(510)</b>	<b>(509)</b>
	<b>Period ended 30 September 2024</b>	<b>Period ended 30 September 2023</b>
<b>Purchase of merchandise and other purchases</b>		
<b>Maxgear Sp. z o.o. Sp. komandytowa</b>	<b>313,856</b>	<b>271,559</b>
<i>including:</i>		
<i>purchase of merchandise</i>	<i>313,856</i>	<i>271,559</i>
<b>Total</b>	<b>313,856</b>	<b>271,559</b>
	<b>As at 30 September 2024</b>	<b>As at 31 December 2023</b>
<b>Receivables</b>		
<b>Maxgear Sp. z o.o. Sp. komandytowa</b>	<b>9,455</b>	<b>13,765</b>
<i>including:</i>		
<i>trade receivables</i>	<i>5,472</i>	<i>-</i>
<i>share of profit receivables</i>	<i>3,983</i>	<i>13,765</i>
<b>AP Auto Partner CZ s.r.o.</b>	<b>3,611</b>	<b>2,238</b>
<i>including:</i>		
<i>trade receivables</i>	<i>3,611</i>	<i>2,238</i>
<b>Total</b>	<b>13,066</b>	<b>16,003</b>
	<b>As at 30 September 2024</b>	<b>As at 31 December 2023</b>
<b>Liabilities</b>		
<b>Maxgear Sp. z o.o. Sp. komandytowa</b>	<b>360</b>	<b>16,649</b>
<i>including:</i>		
<i>trade payables</i>	<i>360</i>	<i>16,649</i>
<b>Total</b>	<b>360</b>	<b>16,649</b>

### III. Key supplementary information to the consolidated quarterly report

#### 1. The Company and the Group

##### Overview of the Group

The Group operates under the name of Auto Partner (the “Group”), with Auto Partner S.A. of Bieruń as the parent (the “Company” or the “Parent”). Key information on the Parent is presented below.

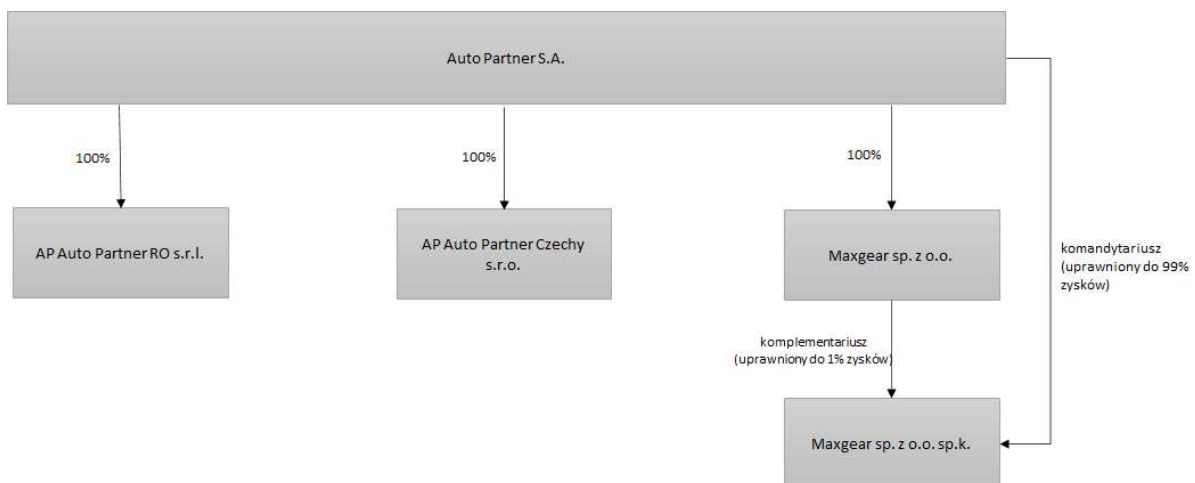
Registered office:	Bieruń
Legal form:	joint stock company ( <i>spółka akcyjna</i> )
Country of incorporation:	Poland
Address:	ul. Ekonomiczna 20, 43-150 Bieruń
Tel./Fax:	+48 32,325 15 00 / +48 32,325 15 20
Email:	<a href="mailto:kontakt@autopartner.com">kontakt@autopartner.com</a>
Website:	<a href="http://www.autopartner.com">www.autopartner.com</a>

As at 30 September 2024, the Auto Partner Group comprised the Parent and the following subsidiaries: Maxgear Spółka z ograniczoną odpowiedzialnością of Tychy (wholly-owned by the parent), Maxgear Spółka z ograniczoną odpowiedzialnością spółka komandytowa of Bieruń (the parent is a limited partner in the company, entitled to 99% of its profits), AP Auto Partner CZ s.r.o. of Prague, the Czech Republic (wholly-owned by the parent), and AP Auto Partner RO s.r.l. of Bucharest, Romania (wholly-owned by the parent).

The companies are consolidated in the Group’s financial statements on a full basis.

Apart from conducting its business involving the sale of automotive parts and accessories, the Company, as the parent, acts as the holding company in the Group and coordinates the operation of its subsidiaries and creation of a uniform trading, marketing, investment and credit policy for the Group.

The chart below presents the structure of the Group as at the reporting date, including all of the Company’s subsidiaries.



	general partner (entitled to 1% of net profit)
	limited partner (entitled to 99% of net profit)

Source: the Group.

## Material subsidiaries of Auto Partner S.A.

### **Maxgear sp. z o.o.**

Maxgear Sp. z o.o., with its registered office at ul. Bałuckiego 4, 43-100 Tychy, Poland, is entered in the Register of Businesses at the National Court Register under No. 0000279190. The company's share capital amounts to PLN 50,000 and is divided into 100 shares with a par value of PLN 500 per share. Maxgear Sp. z o.o. is wholly owned by the Company, which holds 100% of its shares and the right to exercise all 100 voting rights at its General Meeting.

The company is a general partner in Maxgear Sp. z o.o. Sp.k., which it represents and whose operations it manages. Maxgear Sp. z o.o. does not carry out any operating activities. The Group's strategy provides for continued building of the value of its private label brands. In this model, Maxgear Sp. z o.o. is to continue as an entity representing Maxgear Sp. z o.o. Sp.k. and managing its operations.

### **Maxgear Sp. z o.o. sp.k.**

Maxgear Sp. z o.o. Sp.k., with its registered office at ul. Ekonomiczna 20, 43-150 Bieruń, is entered in the Register of Businesses at the National Court Register under No. 0000332893. Its general partner is Maxgear Sp. z o.o. The Company is its limited partner, with the limited partner's contribution amount of PLN 20,000 and a 99% share in the company's profits. The right to the remaining 1% of profits is held by Maxgear Sp. z o.o.

The company's business involves purchasing merchandise which is then sold by the Group under the Maxgear brand. Most of the merchandise is imported from Asia and then resold to the Company for further distribution.

### **AP Auto Partner CZ s.r.o.**

AP Auto Partner CZ s.r.o., with its registered office in Prague, the Czech Republic, is incorporated under the Czech law and is responsible for the Group's operations in the Czech market. AP Auto Partner CZ s.r.o. is wholly owned by the Company, which holds the right to exercise all voting rights at its General Meeting. AP Auto Partner CZ s.r.o. is engaged in sales in the Czech market through a warehouse in Prague.

### **AP Auto Partner RO s.r.l.**

AP Auto Partner RO s.r.l., with its registered office in Bucharest, Romania, is incorporated under the Romanian law and is to be responsible for the Group's operations in the Romanian market. AP Auto Partner RO s.r.l. is wholly owned by the Company, which holds the right to exercise all voting rights at its General Meeting. The Group intends to use the company as a platform for expansion of its warehouse facilities and sales in this market.

After the reporting date, the Company established two subsidiaries:

- On 13 November 2024, a memorandum of incorporation was signed for a foreign limited liability company based in the Czech Republic (Společnost s Ručením Omezeným), with a share capital of Kč 20,000. All shares in the newly established company were subscribed for cash by Auto Partner S.A.;
- On 13 November 2024, a memorandum of incorporation was signed for a foreign limited liability company based in Germany (Gesellschaft mit beschränkter Haftung), with a share capital of EUR 25,000. All shares in the newly established company were subscribed for cash by Auto Partner S.A.

The business of the two new companies will include mainly sales and marketing support, as well as potentially providing warehousing services to the Company if a decision is made to establish warehouse hubs in Germany or the Czech Republic in the future.

## 2. Basis of preparation

The interim condensed consolidated financial statements have been prepared in accordance with IAS 34 and the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state (the "Regulation"). In its consolidated quarterly report the Company also incorporates quarterly financial information containing the information specified in Section 66.1–4, Section 66.5, first sentence, Section 66.8.13 and Section 66.9 of the Regulation.

### 3. Key events with a material bearing on operations and financial performance in the nine months ended 30 September 2024

The following events and factors had bearing on the Company's business in and financial results for the nine months ended 30 September 2024:

- Continued expansion and sales growth;
- Lower gross margin, especially in the first months of 2024, affected by the sale of merchandise purchased in the second half of 2023, when the Polish złoty was relatively weak, with the current relatively low EUR/PLN and USD/PLN exchange rates (the low EUR/PLN exchange rate also constantly affects the value of a significant portion of sales generated by the Group, as translated into PLN as the reporting currency) as well as pressure from slight reductions of merchandise prices by some suppliers this year;
- Higher costs of remuneration paid to the Company's employees and service providers as a consequence of inflation and the significant minimum wage increase;
- A loss of approximately PLN 2 million due to flooding at the Company's branch office in Kłodzko during the September 2024 floods in southwestern Poland. On 17 November 2024, the Company received the insurer's decision of 15 November 2024 to pay PLN 1,184,879.68 to the Company as an advance for compensation for the aforementioned damage. The payment was credited to the Company's account on 18 November 2024. The Company is awaiting a final settlement of the compensation claim, which will fully cover the property damage.

In the nine months ended 30 September 2024, the following events took place at the Auto Partner Group:

1. On 24 January 2024, the Company entered into an agreement with Global One Automotive GmbH of Frankfurt whereby it advanced a loan of EUR 750,000.00 to Global One. The loan interest rate was set at 4.2%. The agreement was concluded for a definite term until 31 July 2024. The Company holds 6.25% of shares in Global One Automotive GmbH as a participant in the International Purchasing Group (since 2017). The loan was repaid by Global One Automotive GmbH on time.
2. On 23 January 2024, the Supervisory Board approved the Rules of the 2024–2025 Incentive Scheme for members of the Auto Partner S.A. Management Board, providing for the payment of additional remuneration tied to the Company's financial performance for members appointed to the Management Board. The Scheme is intended for the following members of the Company's Management Board: Andrzej Manowski, Piotr Janta and Tomasz Werbiński. The purpose of the Scheme is to establish mechanisms to encourage activities that would ensure long-term growth of the shareholder value, reduce turnover of the Company's management staff, and reward their contribution to the shareholder value growth. For detailed rules of awarding incentive bonuses, visit the Company's website at <https://ir.autopartner.com/lad-korporacyjny/#polityka-wynagrodzen>. The total amount of bonuses to be paid in accordance with the Rules will not exceed PLN 5,600,000 over the entire duration of the Scheme. In the first year of the Scheme, the total amount of bonuses for 2024 to be paid in accordance with the Rules will not exceed PLN 2,800,000.
3. On 23 January 2024, the General Meeting of Maxgear Sp. z o.o. approved the Rules of the Incentive Scheme for Members of the Management Board of Maxgear sp. z o.o., Grzegorz Pal and Arkadiusz Cieplak. Its terms will be the same as those applying to members of the Auto Partner S.A. Management Board. The total amount of Bonuses to be paid in accordance with the Rules will not exceed PLN 2,000,000 during the term of the Scheme. In the first year of the Scheme, the total amount of bonuses for 2024 to be paid in accordance with the Rules will not exceed PLN 1,000,000.
4. On 28 March 2024, the Management Board of the Company passed a resolution to recommend a dividend payment for the financial year 2023 to the Annual General Meeting. Pursuant to the resolution, the Management Board recommended a dividend payment to the Company's shareholders totalling PLN 19,593,000 (nineteen million, five hundred and ninety-three thousand złoty), or PLN 0.15 (fifteen grosz) per share. At its meeting held on 10 April 2024, the Supervisory Board resolved to endorse the Management Board's recommendation. On 24 May 2024, the Annual General Meeting resolved to allocate the net profit for 2023 in accordance with the Management Board's recommendation. The dividend record date was set for 3 June 2024. The payment was made on 18 June 2024.
5. On 24 May 2024, the proceedings of the Annual General Meeting included approval of the financial statements of the Company and the consolidated financial statements of the Group for 2023 and adoption of amendments to the Company's Articles of Association. The amendments were published in ESPI Current Report No. 13/2024 on 24 May 2024. On 31 May 2024, they were registered by the District Court for Katowice Wschód, 8th Division of the National Court Register.

6. On 23 July 2024, the Extraordinary General Meeting passed an amendment to the Articles of Association that grants the Supervisory Board the authority to appoint an auditor to perform an attestation engagement for the Sustainable Development Report. The amendment was registered by the District Court for Katowice Wschód, 8th Division of the National Court Register, on 5 August 2024.
7. On 5 September 2024, an investment credit facility agreement was signed with Credit Agricole Bank Polska Spółka Akcyjna of Wrocław. Under the agreement, an investment credit facility of PLN 10,000,000 (ten million złoty) was advanced to the Company to finance and refinance Auto Partner S.A.'s investment expenditure. The facility is repayable by 12 September 2029. The interest rate was set at 1M WIBOR plus margin.
8. On 25 September 2024, an amendment was signed to the multi-product facility agreement concluded with ING Bank Śląski S.A. of Katowice on 19 October 2015. The amendment extended the availability period of the credit facility granted under the multi-product facility agreement until 9 October 2027. The amount of the facility is PLN 177,000,000. Other material terms of the agreement remain unchanged. Proceeds of the facility will be used to finance the Company's working capital in connection with continued fast growth of Auto Partner S.A.

After the reporting date, on 25 October 2024, the Company and BNP Paribas Bank Polska S.A. executed:

- Amendment 2 to the revolving credit facility agreement of 24 January 2022, which extended the availability period of the facility until 15 September 2026;
- Amendment 4 to the multi-purpose credit facility agreement of 13 September 2021, which extended the availability period of the facility until 15 September 2026.

#### 4. Assessment of factors and non-recurring events with a bearing on operating results

During the reporting period, there were no non-recurring events affecting operating results.

The Group did not identify any impact of the war in Ukraine on its operations in the three months to 30 September 2024. The exposure of the Company and its subsidiaries to the Ukrainian market is negligible, accounting for less than 0.5% of the monthly revenue currently generated. The effect of the situation in Ukraine on the Group's operations in the reporting period was therefore neutral.

#### 5. Changes in the Parent's and the Group's key management policies

In the reporting period, there were no changes in the organisation of the Group, including changes that would result from a business combination, acquisition or loss of control of a subsidiary or a long-term investment, a demerger, restructuring or discontinuation of business activities.

#### 6. Management Board' position on the feasibility of published forecasts

The Management Board did not publish any forecasts of the Company's or the Group's results for 2024.

#### 7. Shareholders holding 5% or more of total voting rights in the Company

From 17 September 2024, i.e., the issue date of the consolidated report for the first half of 2024, to 19 November 2024, i.e., the issue date of this report, no changes occurred in the ownership of major holdings of Company shares.

To the Company's best knowledge, the shareholders holding 5% or more of total voting rights as at 19 November 2024, i.e., the issue date of this report, were:

Shareholder	Number of shares held	Number of voting rights at GM	Ownership interest (%)	Share of total voting rights (%)
Turzyńska Fundacja Rodzinna*	56,944,758	56,944,758	43.60%	43.60%

<b>Otwarty Fundusz Emerytalny Złota Jesień (OFE PZU)</b>	8,617,124	8,617,124	over 5%**	over 5%**
<b>Nationale Nederlanden Powszechne Towarzystwo Emerytalne S.A.</b>	13,062,403	13,062,403	10.0003%	10.0003%

\* Entity controlled by Aleksander Górecki. Aleksander Górecki is the sole founder of Turzyńska Fundacja Rodzinna, a beneficiary of the Foundation, member of the Foundation's Beneficiaries' Meeting and member of the Foundation's Management Board.

\*\* In the most recent notification, received by the Company on 10 April 2017, Otwarty Fundusz Emerytalny Złota Jesień (OFE PZU) reported that it held 8,617,124 Company shares, which, according to the Company's calculations based on the current share capital amount, currently represent 6.622% of total voting rights.

## 8. Total number and par value of Company shares and shares in the Company's related entities held by the Company's management and supervisory staff (for each person separately)

To the Company's best knowledge, there were no changes in the holdings of Company shares by members of the Company's Management or Supervisory Board from the issue date of the consolidated report for the first half of 2024 on 17 September 2024 to the issue date of this report on 19 November 2024.

The table below presents the holdings of Company shares by members of the Management and Supervisory Boards as at 19 November 2024, i.e., the issue date of this report.

None of the members of the Management Board or Supervisory Board holds any shares in the Company's subsidiaries.

Full name	Position	Number of Company shares held	Par value of the shares (PLN)
Aleksander Górecki indirectly through Turzyńska Fundacja Rodzinna	President of the Management Board	56,944,758	5,694,475.80
Andrzej Manowski	Vice President of the Management Board	200,000	20,000.00
Piotr Janta	Vice President of the Management Board	177,263	17,726.30
Jarosław Plisz	Chair of the Supervisory Board	20	2.00
<b>Total:</b>		<b>57,322,041</b>	

## 9. Material court, arbitration and administrative proceedings

No material proceedings are currently pending in relation to any liabilities or claims of the Company or any of its subsidiaries.

## 10. Related-party transactions executed by the Company or its subsidiaries on non-arm's length terms

The Group companies enter into related-party transactions exclusively on an arm's length basis. For detailed information on related-party transactions, see note 27 to the interim condensed consolidated financial statements and note 4 to the quarterly financial information of the parent for the three months ended 30 September 2024.

## 11. Significant sureties and guarantees received and issued, including in particular sureties and guarantees issued to and received from related entities

The Company and its subsidiaries did not issue any sureties for borrowings or any guarantees to a single entity or such entity's subsidiary where the total amount of outstanding sureties or guarantees would be significant.

## 12. Business of the Auto Partner Group

## Overview of key products, merchandise and services

The Group is a specialised logistics operator whose principal business activity consists in the organisation of distribution of vehicle spare parts directly from manufacturers to end users. It imports and distributes parts for passenger cars and delivery vehicles in the market for spare parts classified in accordance with the GVO regulations and European Union directives. The Group operates as a platform for sale, mainly via electronic channels, and supply logistics of spare parts, which are delivered on a just-in-time basis to distributed customers: repair workshops and stores.

The Group offers a wide range of spare parts. The key product category is spare parts for European, Japanese and Korean cars.

The Group sells branded products supplied by approximately 200 manufacturers of reputable brands, including MEYLE, TRW, ZF Schaeffler or KYB. Currently, the Group's offer includes:

- Accessories
- Shock absorbers and springs
- Filters
- Lines, wires, bands
- Automotive oils and chemicals
- Drive belts and rollers
- Cooling system, air conditioning
- Electrical systems
- Braking systems
- Drivetrain systems
- Fuel systems
- Suspension and steering systems
- Exhaust systems
- Seals and engine parts
- Wipers
- Equipment for repair workshops

## Overview of the Group's geographical markets

Currently, domestic sales account for close to half of the Group's revenue, and export sales for the remainder. Supplies to the Group's foreign customers in Germany, Austria, the Czech Republic, Slovakia, Hungary, Romania, Slovenia, Croatia, Lithuania, Latvia, Estonia, the Netherlands, Belgium, Luxemburg, Denmark, Finland, Sweden, Norway, France, Spain, Portugal, Italy, Switzerland, United Kingdom, Ireland, Serbia, and Bosnia and Herzegovina are mainly delivered directly from the Group's central warehouse and Pruszków and Poznań hubs.

Revenue structure by domestic and export sales:

	Period ended 30 September			
	2024		2023	
	PLN '000	share (%)	PLN '000	share (%)
Sales of merchandise – Poland	1,561,662	50.1%	1,370,032	50.2%
Sales of merchandise – EU	1,520,667	48.8%	1,328,016	48.6%
Sales of merchandise – other exports	30,995	1.0%	31,507	1.2%
Sales of services – Poland	715	0.0%	767	0.0%
Sales of services – EU	3,632	0.1%	1,137	0.0%
<b>Total</b>	<b>3,117,671</b>	<b>100%</b>	<b>2,731,459</b>	<b>100.0%</b>

Source: the Group, condensed interim consolidated financial statements



## Projected development of the Group

All companies of the Auto Partner Group pursue a common and uniform growth strategy. The Group's strategy is to ensure sustainable growth of the shareholder value by further expanding the scale of its business, increasing the market share, and strengthening the market position, while focusing on business process efficiency in order to achieve attractive margins.

The Management Board has defined and is pursuing four main strategic goals for the Group:

1. Expanding the business scale
2. Further diversifying the product range
3. Increasing profitability
4. Expansion into new markets.

## 13. Current and anticipated financial condition and description of the Company's and the Group's significant achievements and failures

### Financial position in the nine months ended 30 September 2024

In the nine months ended 30 September 2024, the Group recorded a 14.1% year-on-year increase in sales. The growth rate in foreign sales (up +14.3%) was almost identical to that seen on the domestic market (14.0%). The increase in revenue this year is not driven by inflation; on the contrary, some goods experienced a slight decrease in prices.

The gross margin was similar to last year's, at 26.9% compared to 27.2%. Especially in the first months of 2024, the gross margin was affected by the sale of merchandise purchased in the second half of 2023, when the Polish zloty was relatively weak, with the current relatively low EUR/PLN and USD/PLN exchange rates (the low EUR/PLN exchange rate also constantly affects the value of a significant portion of sales generated by the Group, as translated into PLN as the reporting currency) as well as pressure from slight reductions of merchandise prices by some suppliers this year.

On the cost side, there was a clear negative impact from rising employee costs, driven in part by a very large increase, of approximately 20% year on year, in the minimum wage. This affected the pay expectations of a significant portion of employees, as well as the prices of many third-party services. The cost pressure related to wages led to a drop in operating profit compared with the nine months ended 30 September 2023 and a marked decline in the EBIT margin. Going forward, the Group will continue to focus on optimising the use of human resources and investing in process automation wherever it is economically justified.

In addition to the factors described above, the operating profit and EBIT margin in the third quarter of 2024 were impacted by a loss of approximately PLN 2 million due to flooding at the Kłodzko branch office during the September 2024 floods in south-western Poland. The compensation from the insurer, which the Company expects to receive in the fourth quarter of 2024, should fully cover the loss.

As a result of the above factors, for the nine months ended 30 September 2024 the Group reported a net profit of PLN 147.4 million (PLN 172.8 million for the corresponding period of the previous year), down by 14.7% year on year.

### Financial metrics

In its day-to-day operations the Group uses profitability metrics, efficiency metrics, debt ratios and liquidity ratios. The metrics, presented below, are alternative performance measures (APMs). The Company believes that they provide material information on the Group's financial position, operating efficiency, profitability and cash flows. The APMs should be viewed as additional information and analysed in conjunction with the Group's consolidated financial statements, as they facilitate an analysis and assessment of the Group's financial results in each reporting period. They also provide useful information about the Group's financial position and, in the Company's opinion, enable an optimum assessment of the financial results achieved by the Group.

The metrics were calculated in accordance with the formulas presented below.

### Profitability metrics

The tables below present the Group's profitability metrics for the periods indicated.

Period ended 30 September  
(consolidated financial statements)

	2024	2023	2022
	PLN '000	PLN '000	PLN '000
EBITDA (PLN thousand) <sup>1</sup>	246,583	268,613	235,863
Gross margin (%) <sup>2</sup>	26.9	27.7	29.7
EBITDA margin (%) <sup>3</sup>	7.9	9.8	11.2
EBIT margin (%) <sup>4</sup>	6.6	8.7	10.1
Profit before tax margin (%) <sup>5</sup>	5.9	7.9	9.2
Net profit margin (%) <sup>6</sup>	4.7	6.3	7.5

Source: the Group.

- (1) The Group defines and calculates EBITDA as operating profit (loss) before depreciation and amortisation.  
(2) Gross margin is defined as the ratio of gross profit (loss) for the reporting period to revenue for the period.  
(3) EBITDA margin is defined as the ratio of EBITDA for the reporting period to revenue for the period.  
(4) EBIT margin is defined as the ratio of operating profit (loss) for the reporting period to revenue for the period.  
(5) Profit before tax margin is defined as the ratio of profit before tax for the reporting period to revenue for the period.  
(6) Net profit margin is defined as the ratio of net profit for the period to revenue for the period.

	Period ended 30 September (consolidated financial statements)		For year (consolidated financial statements)	
	2024	2023	2023	2022
	PLN '000	PLN '000	PLN '000	PLN '000
ROE <sup>1</sup> (%)	17.7	25.1	23.7	27.7
ROA <sup>2</sup> (%)	10.5	14.3	13.3	14.9

Source: the Group.

- (1) The Group defines and calculates ROE as the ratio of net profit for the period to average equity (calculated as the arithmetic mean of equity as at the end of the previous period and as at the end of the reporting period).  
(2) The Group defines and calculates ROA as the ratio of net profit for the period to average assets (calculated as the arithmetic mean of total assets as at the end of the previous period and as at the end of the reporting period).

## Efficiency metrics

The table below presents the Group's efficiency metrics for the periods indicated.

	As at (consolidated financial statements)			
	30 September 2024	30 September 2023	31 December 2023	31 December 2022
	days	days	days	days
Inventory turnover period (days) <sup>1*</sup>	129	134	137	158
Average collection period (days) <sup>2</sup>	33	31	32	34
Average payment period (days) <sup>3</sup>	25	27	23	24
Cash conversion cycle <sup>4</sup>	136	137	146	168

Source: the Group.

- (1) The Group defines and calculates the inventory turnover period as the ratio of average sum of inventories and right-of-return assets (calculated as the arithmetic mean of the balance as at the end of the previous period and as at the end of the reporting period) to cost of sales in the period, multiplied by the number of days in the period.
- (2) The Group defines and calculates the average collection period as the ratio of average trade and other receivables (calculated as the arithmetic mean of trade and other receivables as at the end of the previous period and as at the end of the reporting period) to revenue in the period, multiplied by the number of days in the period.
- (3) The Group defines and calculates the average payment period as the ratio of average trade and other payables and right-of-return liabilities (calculated as the arithmetic mean of trade and other payables as at the end of the previous period and as at the end of the reporting period) to cost of sales in the period, multiplied by the number of days in the period.
- (4) The Group defines and calculates the cash conversion cycle as the sum of the inventory turnover period and average collection period less average payment period.

## Debt ratios

The table below presents the Group's debt ratios.

	As at (consolidated financial statements)			
	30 September 2024	30 September 2023	31 December 2023	31 December 2022
	PLN '000	PLN '000	PLN '000	PLN '000
Total debt ratio (%) <sup>1</sup>	40.2	39.8	41.7	46.3
Long-term debt ratio (%) <sup>2</sup>	10.8	12.9	15.0	17.2
Short-term debt ratio (%) <sup>3</sup>	23.9	26.9	25.4	29.2
Equity-to-debt ratio (%) <sup>4</sup>	148.7	151.4	139.9	115.9

Source: the Group.

- (1) The Group defines and calculates the total debt ratio as the ratio of total liabilities as at the reporting date to total assets as at the reporting date.
- (2) The Group defines and calculates the long-term debt ratio as the ratio of non-current liabilities as at the reporting date to total assets as at the reporting date.
- (3) The Group defines and calculates the short-term debt ratio as the ratio of current liabilities as at the reporting date to total assets as at the reporting date.
- (4) The Group defines and calculates the equity-to-debt ratio as equity as at the reporting date to total liabilities as at the reporting date.

## Liquidity ratios

The table below presents the Group's liquidity ratios.

	As at (consolidated financial statements)		
	30 September 2024	31 December 2023	31 December 2022
	PLN '000	PLN '000	PLN '000
Current ratio <sup>1</sup>	3.32	3.12	2.81
Quick ratio <sup>2</sup>	0.94	0.87	0.69

Cash ratio <sup>3</sup>	0.10	0.08	0.08
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Source: the Group.

- (1) The Group defines and calculates the current ratio as the ratio of current assets as at the reporting date to current liabilities as at the reporting date.
- (2) The Group defines and calculates the quick ratio as the ratio of total current assets less inventories and right-of-return assets as at the reporting date to current liabilities as at the reporting date.
- (3) The Group defines and calculates the cash ratio as the ratio of cash and cash equivalents plus current financial assets as at the reporting date to current liabilities as at the reporting date.

## Workforce

The Group's workforce is as follows:

	As at 30 September 2024	As at 31 December 2023
Number of employees	2,821	2,796

Source: the Group.

## 14. Factors that, in the Company's opinion, will impact the Group's results in the next quarter and beyond

The following factors will have an impact on the Group's performance in the future periods:

- A new logistics and storage centre was established in Zgorzelec, comprising 28,534 m<sup>2</sup> of storage, maintenance and utility space and 1,117 m<sup>2</sup> of office and staff amenity space, under lease contract signed with MLP Poznań East sp. z o.o. of Pruszków on 22 December 2022. The completion of the logistics and warehouse centre is anticipated in late 2025 or early 2026. Efforts to bring the centre into operation were underway in the three months ended 30 September 2024 and will be continued in subsequent periods.
- On 23 January 2024, the Company's Supervisory Board approved the Rules of the 2024–2025 Incentive Scheme for members of the Management Board of Auto Partner S.A., as detailed in item 3 of this key supplementary information section.
- On 23 January 2024, the General Meeting of Maxgear sp. z o.o. of the Rules of the 2024–2025 Incentive Scheme for members of the Management Board of Maxgear sp. z o.o., as detailed in item 3 of this key supplementary information section.
- Inflation rate in the areas with a significant impact on the Group's profit or loss.
- Movements of currency exchange rates, in particular the USD/PLN and EUR/PLN exchange rates.
- Market interest rates underlying the interest rates paid on bank borrowings and variable-rate lease contracts, including, without limitation, WIBOR rates.

## 15. Other information relevant to the assessment of the Group's workforce, assets, financial position and profit or loss as well as the Group's ability to meet its obligations

The Company has not identified any information beyond what is provided in this report as relevant to assessing the Group's workforce, assets, financial position, profit or loss, or its ability to meet its obligations.

This quarterly report was authorised for issue by the Management Board on 19 November 2024.

### Signatures of Management Board Members

Aleksander Górecki – President of the Management Board

Andrzej Manowski – Vice President of the Management Board

Piotr Janta – Vice President of the Management Board

Tomasz Werbiński – Member of the Management Board

**Signature of the person responsible for accounting records**

Kamila Obłodecka-Pieńkosz – Chief Accountant