



**torpol**



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## Conference of the Management Board of TORPOL S.A. TORPOL Group – 1Q 2023

22 May 2023

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# TORPOL Group after 1Q23



212.5

MN PLN  
NET SALES REVENUE

(+2,0% yoy)



1.65

BN PLN  
BACKLOG (NET)

(+51,4% yoy)



18.8

MN PLN  
EBITDA

(-35,4% yoy)



449.5

MN PLN  
in CASH

(-8,8% ytd)



21.5

MN PLN  
GROSS PROFIT  
ON SALES

(-30,6% yoy)



11.9

MN PLN  
PROFIT  
ON SLAES

(-47,3% yoy)



12.3

MN PLN  
OPERATING  
PROFIT

(-46,5% yoy)



14.4

MN PLN  
NET PROFIT

(-28,8% yoy)

# Summary of the overall situation of Group



## ○ Impact on financial performance

The low activity of the Company's main client and the consequence of the ongoing war in Ukraine have had a significant impact on the Group's operations and its financial performance.

## ○ Portfolio of orders

The order backlog is approx. **PLN 1.65 BN net**, without consortium participants, and its weighted average long-term yield is approx. **6%**. In the event that the transfer of European funds to Poland is unblocked, the emergence of high activity on the part of the Group's main contracting authority and other entities, increased competition is to be expected in the initial period of the emergence of tender proceedings and thus a decrease in the average profitability of the backlog.

## ○ Guarantee limits

The Group has access to bank and insurance guarantee limit facilities amounting to more than **PLN 1.67 BN**, of which ca. **PLN 1.0 BN** of the aggregate limit remains unused.

# Summary of the overall situation of Group



## ○ The impact of the war in Ukraine and economic sanctions

The situation with the war in Ukraine, which has been ongoing for more than a year as a result of the military onslaught by Russia and with the risks of an escalation of hostilities and the negative impact of further sanctions of an economic nature, could continue to disrupt supply chains of strategic raw materials, causing further **unpredictable** and **above-average price increases**.

## ○ Ongoing standstill of EU and NRP [National Recovery Plan] funds

The state of continued freezing of the transfer of funds from the EU to Poland, which has a direct negative impact on the supply of proceedings announced and contracts in the industry in which the Company operates.

## ○ Record high inflation levels

The record level of inflation in the country for 26 years and the consequential high interest rates have a direct impact on increasing the cost of borrowing and the cost of running the Company's day-to-day operations.

# Torpol S.A. – Important developments in 2023



## Centralny Port Komunikacyjny sp. z o.o. (CPK)

On 24 January 2023, CPK and Towarzystwo Finansowe Silesia sp. z o.o. (TFS) entered into a preliminary agreement to sell all shares in the Company held by TFS, representing 38% of the total voting rights in the Company.

## Rail Baltica

TORPOL is participating in a project to connect the capital cities of Lithuania, Latvia and Estonia with Warsaw and the rest of Europe by rail. The company, together with its partners, has qualified for the second stage of the procurement process.

## Agreement with Polski Fundusz Rozwoju (PFR)

The Ministry of Infrastructure signed a long-awaited agreement with PFR in February 2023 for the pre-financing of investments to be ultimately financed by the NRP. This will hopefully allow the procedures announced in 2022 to be resolved, to announce new ones and to start implementing projects.

## Conclusion of contract for line 104 Chabówka - Nowy Sącz on section E

On 11 May 2023, the Company entered into an agreement for the 'Design and execution of works for the task entitled: 'Demolition, reconstruction, extension and construction of the construction facility entitled: railway line no. 104 Chabówka - Nowy Sącz on section E'. The value of the agreement is PLN 783.7 million, of which the Company's share is 76% (**PLN 595.6 million net**). This is the first significant agreement concluded by PKP PLK since the beginning of 2022.

# The financial situation

## Consolidated income statement



- Despite maintaining net sales revenue at a similar level y-o-y. The Group recorded a decrease in gross sales profit (by 30.6% y-o-y) and gross sales profit margin by 4.8 p.p., as most of the projects in the Group's portfolio characterised by high average margins were mainly completed and settled by the end of 2022, and their impact on profitability levels in the current year was significantly lower.
- The Group significantly improved the result on financing activities. At the end of the reporting period, **the balance of financing activities was positive and amounted to PLN 6.0 million** (compared to PLN 2.2 million a year earlier), mainly due to the generation of high interest income from time deposits dictated by the high level of interest rates.
- The Group's net profit for the first quarter of 2023 amounted to PLN 14.4 million**, compared to PLN 20.3 million in the previous year, a decrease of 28.8% year-on-year.

<i>Data in PLN thousand</i>	<b>1Q23</b>	1Q22	Change in %/pp
<b>Sales revenue</b>	<b>212 535</b>	<b>208 386</b>	<b>+2,0%</b>
<i>Cost of sales</i>	191 057	177 421	<b>+7,7%</b>
<b>Gross profit on sales</b>	<b>21 478</b>	<b>30 965</b>	<b>-30,6%</b>
<i>Percentage of gross profit on sales</i>	10,1%	14,9%	<b>-4,8 pp</b>
<b>Overhead and sales costs</b>	9 627	8 493	<b>+13,4%</b>
<b>Sales profit</b>	<b>11 851</b>	<b>22 472</b>	<b>-47,3%</b>
<i>Percentage of profit on sales</i>	5,6%	10,8%	<b>-5,2 pp</b>
<b>Profit on operating activities</b>	<b>12 316</b>	<b>23 032</b>	<b>-46,5%</b>
<i>EBT (in per cent)</i>	5,8%	11,1%	<b>-5,3 pp</b>
<b>Gross profit</b>	<b>18 270</b>	<b>25 240</b>	<b>-27,6%</b>
<i>PBT (in per cent)</i>	8,6%	12,1%	<b>-3,5 pp</b>
<b>Net profit for the period</b>	<b>14 416</b>	<b>20 260</b>	<b>-28,8%</b>
<i>Net profit (in per cent)</i>	6,8%	9,7%	<b>-2,9 pp</b>
<b>EBITDA</b>	<b>18 798</b>	<b>29 094</b>	<b>-35,4%</b>
<i>EBITDA (in per cent)</i>	8,8%	14,0%	<b>-5,2 pp</b>

# The financial situation

## Consolidated balance sheet

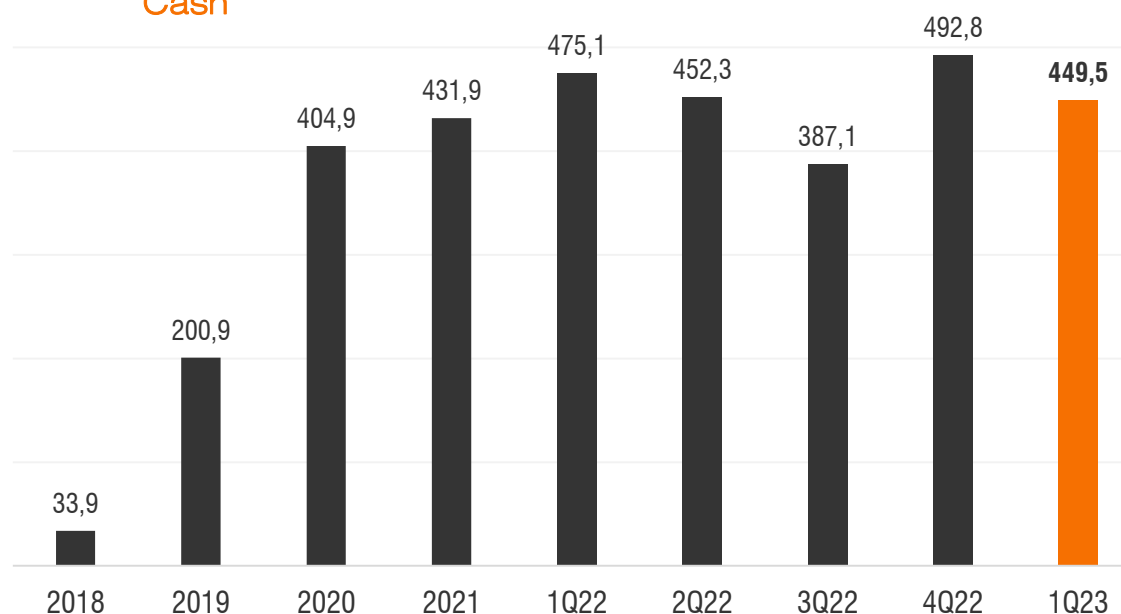
- At the end of March 2023, the Group's total assets reached PLN 1,065.2 million, an increase of 3.6% year-on-year. The structure of assets and their sources of financing is correct, typical of the Group's business profile based on the execution of long-term construction contracts.
- The Group has no net financial debt - **the level of net cash at the end of the reporting period was PLN 361.6 million** (compared to PLN 396.2 million at the end of 2022). Having a liquidity buffer will allow the Group to operate with stability and limit potential negative factors on the cost side in a volatile market environment in the difficult year 2023.
- On the other hand, the Group's access to guarantee limits allows it to continue to be highly active during procurement procedures.
- All financial covenants applicable to Group companies are at the levels required by the financing agreements.



Data in PLN thousand

	31/03/2023	31/12/2022	Change in %/pp
<b>Balance sheet total</b>	<b>1 065 194</b>	<b>1 028 472</b>	<b>+3,6%</b>
Fixed assets	233 504	220 548	+5,9%
<b>Current assets</b>	<b>831 690</b>	<b>807 924</b>	<b>+2,9%</b>
Inventory	84 173	69 419	+21,3%
<b>Cash</b>	<b>449 501</b>	<b>492 841</b>	<b>-8,8%</b>
Equity	422 814	407 518	+3,8%
<b>Total liabilities</b>	<b>643 260</b>	<b>620 954</b>	<b>+3,6%</b>
Net debt	-361 560	-396 178	-

### Cash



# The financial situation

## Cash flows from operating, investing and financing activities

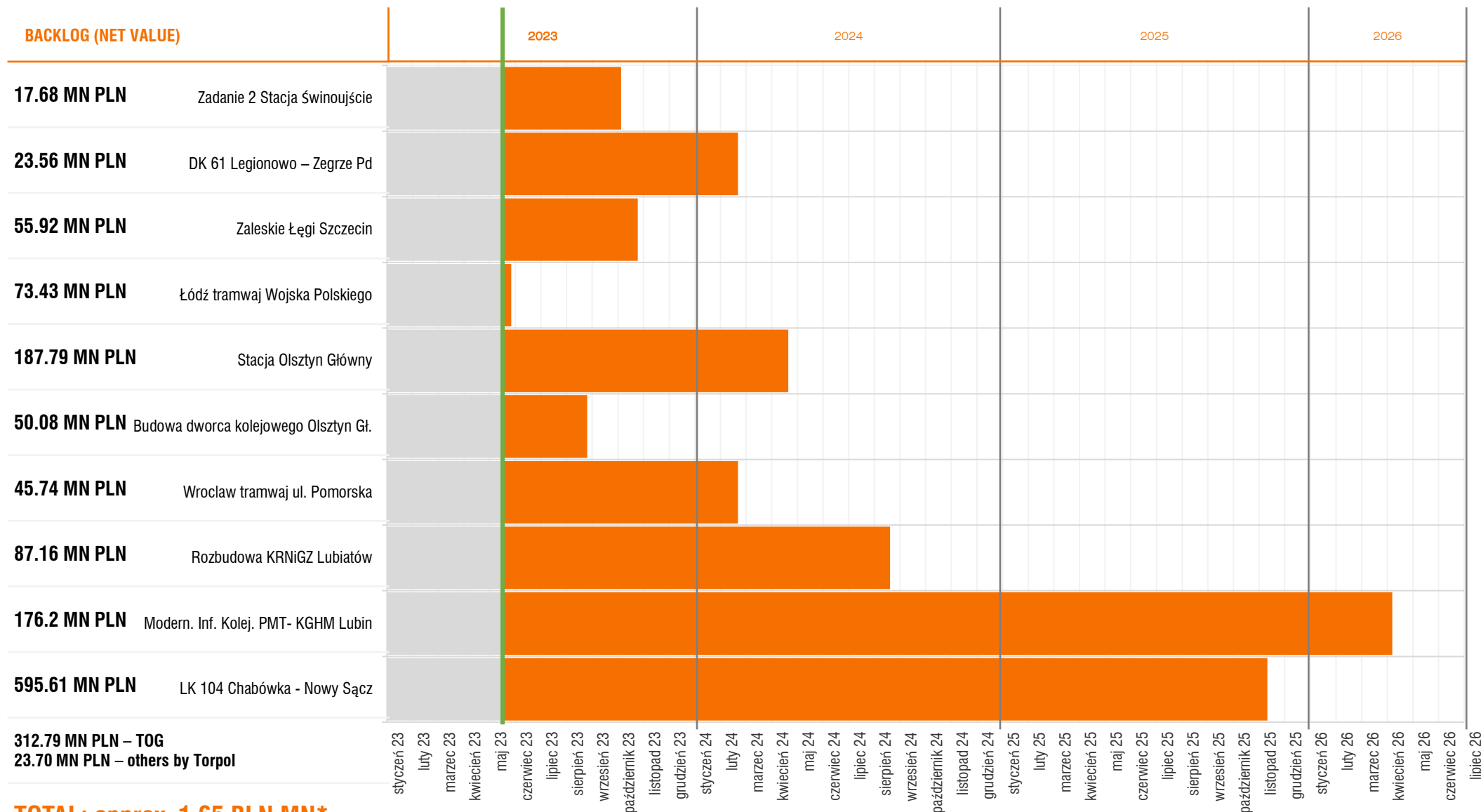


Data in PLN thousand	1Q23	1Q22	Zmiana
Net cash flows from operating activity	<b>-28 555</b>	61 175	-89 730
Net cash flows from investing activities	<b>-7 027</b>	-1 138	-5 889
Net cash flows from financial activities	<b>-7 758</b>	-16 824	9 066

<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>-43 340</b>	43 213	-86 553
Cash at beginning of the period	<b>492 841</b>	431 881	60 960
<b>Cash at the end of the period</b>	<b>449 501</b>	475 094	-25 593

- At the end of the reporting period, the balance of operating cash flows was negative at **PLN -28.6 million** (a significant decrease of PLN 89.7 million year-on-year), mainly due to changes in working capital resulting from the repayment of advance payments for the execution of contracts and the purchase of materials for their execution.
- The net cash flow balance from investing activities at the end of March 2023 was negative at **PLN -7.0 million** compared to PLN -1.1 million a year earlier, due to higher performance of self-funded investments.
- The balance of financial cash flow in 2023 in the first three months was negative at **PLN -7.8 million** (compared to PLN -16.8 million a year earlier), mainly as a result of lease repayments.
- The TORPOL Group began 2023 with cash of **PLN 492.8 million**, while it ended the reporting period with cash of **PLN 449.5 million**.

# Current backlog



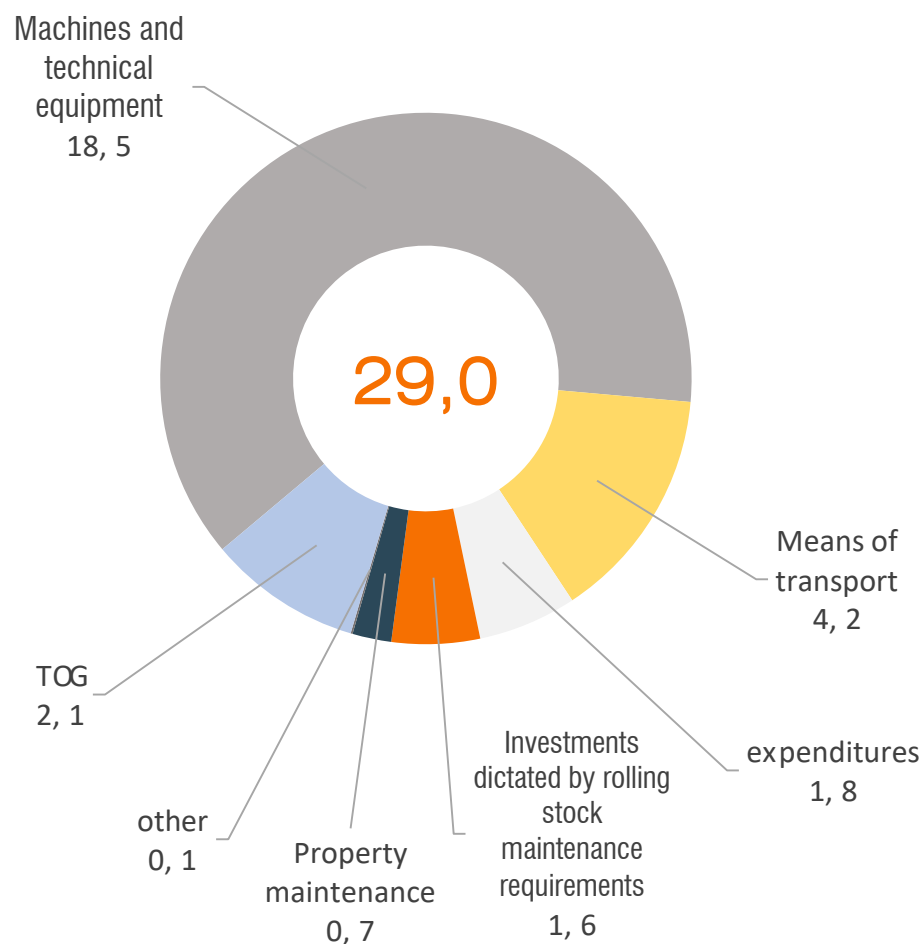
\* without the participation of consortium members

# Investment plan

The investment plan for 2023



## Investments for 2023 (in PLN MN)

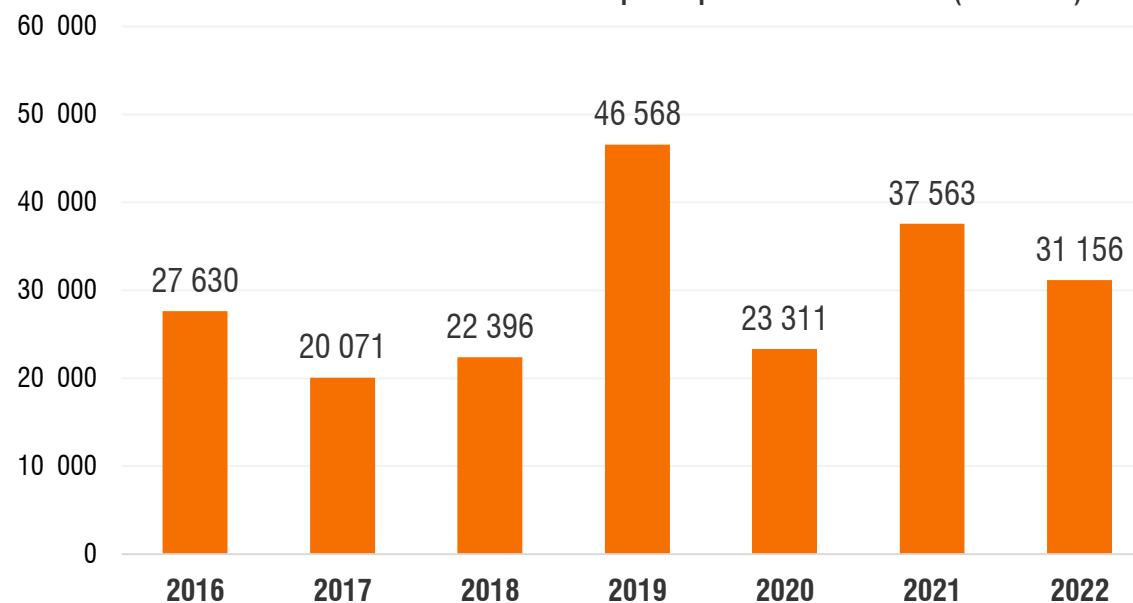



In 1Q23, capital expenditure amounted to **PLN 10.1 million**. The level of investment realisation was dominated by the continuation of the purchase of the track ballast profiling machine - the Company made a 50% advance payment of **PLN 7.5 million**.

The Group plans to incur significant capital expenditure of approximately **PLN 29 million** in 2023. The Group's investment plan for 2023 mainly concerns the purchase of equipment and machinery for modernising railway lines (including the continuation of existing investments), trucks, vehicles for repairing and assembling catenary lines, means of transport and further development of ERP software.

Over the past seven years, the Group has made investments with a total value of approximately **PLN 208.7 MN**.

Capital expenditure in 2016-2021 (in PLN MN)





**TOG** carries out orders mainly for Grupa ORLEN S.A., but also for Grupa Azoty Zakłady Azotowe Kędzierzyn S.A., and Gas Transmission Operator (OGP) GAZ-SYSTEM S.A.

The subsidiary won 2 contracts with a total net value of **PLN 36.5 million** during the reporting period, both for PKN ORLEN.

The company's backlog of orders amounts to **PLN 312.8 MN net**.

# Challenges and current objectives



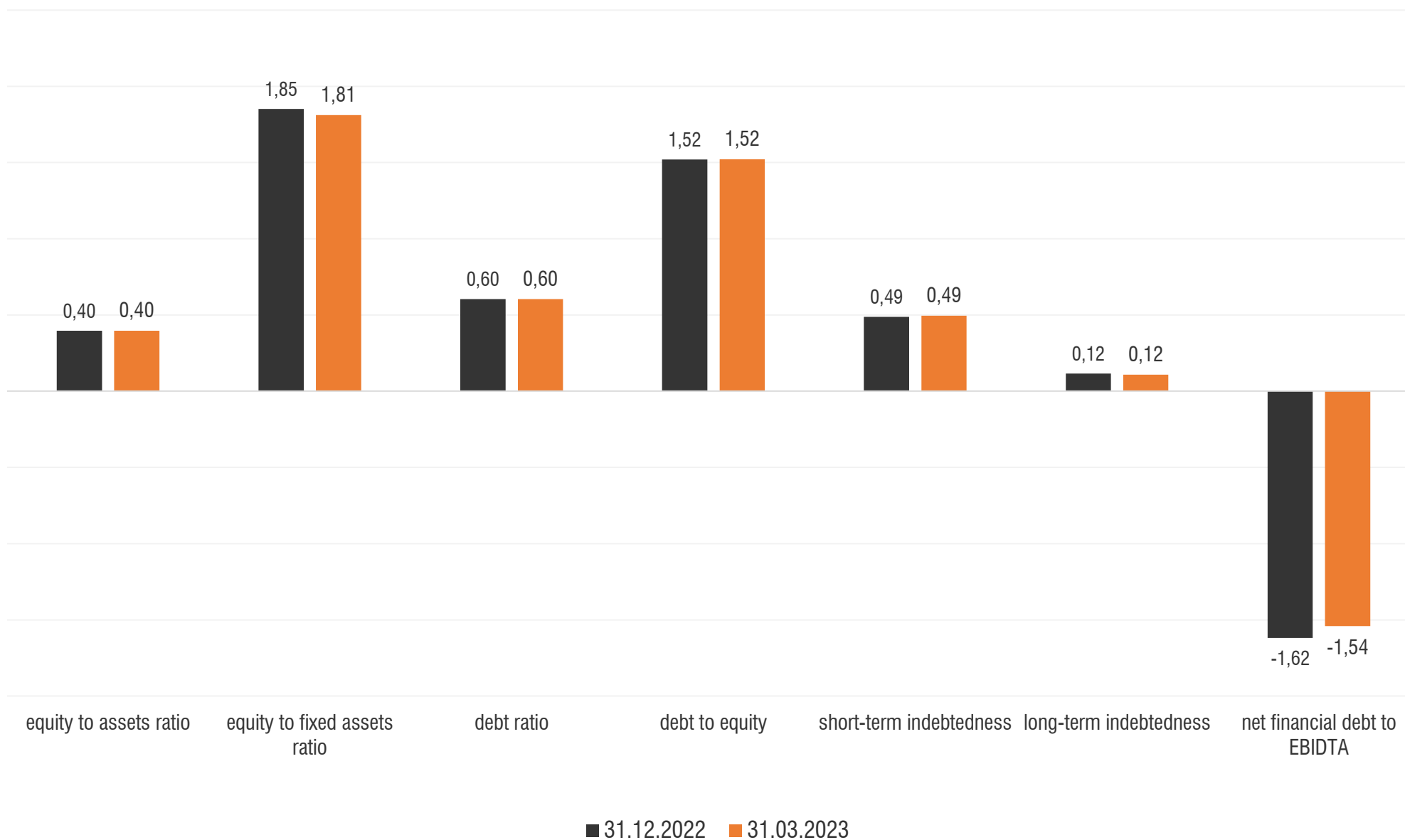
- Maintaining the Group's stable financial and liquidity position, above all in the form of a safety buffer to allow for the smooth operation in the market in the difficult year of 2023 and the equally challenging year of 2024, as well as for the planned intensification of construction works, including large financially demanding projects.
- High quality and timely delivery of construction projects. Close monitoring of the financial condition of subcontractors.
- Maintaining access to guarantee limits. Monitoring of financial covenants.
- Ongoing monitoring of the situation with regard to the war in Ukraine - in particular analysis of risks relating to the availability of materials and raw materials and energy carriers.
- Active participation in tender procedures for the modernisation, construction or revitalisation of railway lines organised by PKP PLK and other infrastructure managers.
- Rebuilding a strong market position on the tramway market.
- Development of engineering construction activities and in the area of large-scale constructions.
- Active participation in large and very large infrastructure projects requiring complexity, multi-discipline and application of modern and complex technological solutions.
- Dywersyfikacja działalności – CPK, międzynarodowy projekt Rail Baltica,
- Analysis of opportunities for participation in post-war infrastructure reconstruction in Ukraine.



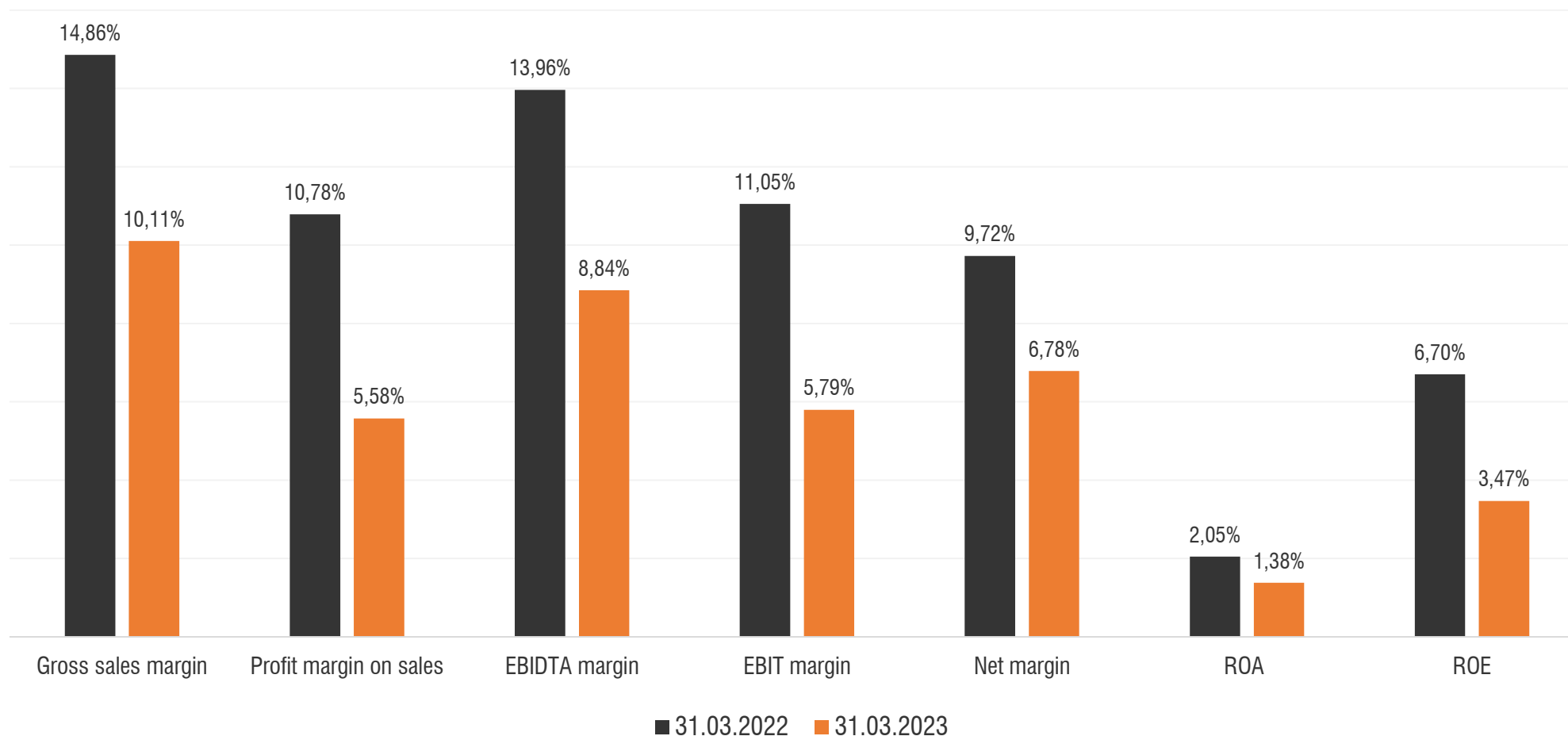
# APPENDICES



# Consolidated financial indicators



# Profitability ratios for TORPOL Group



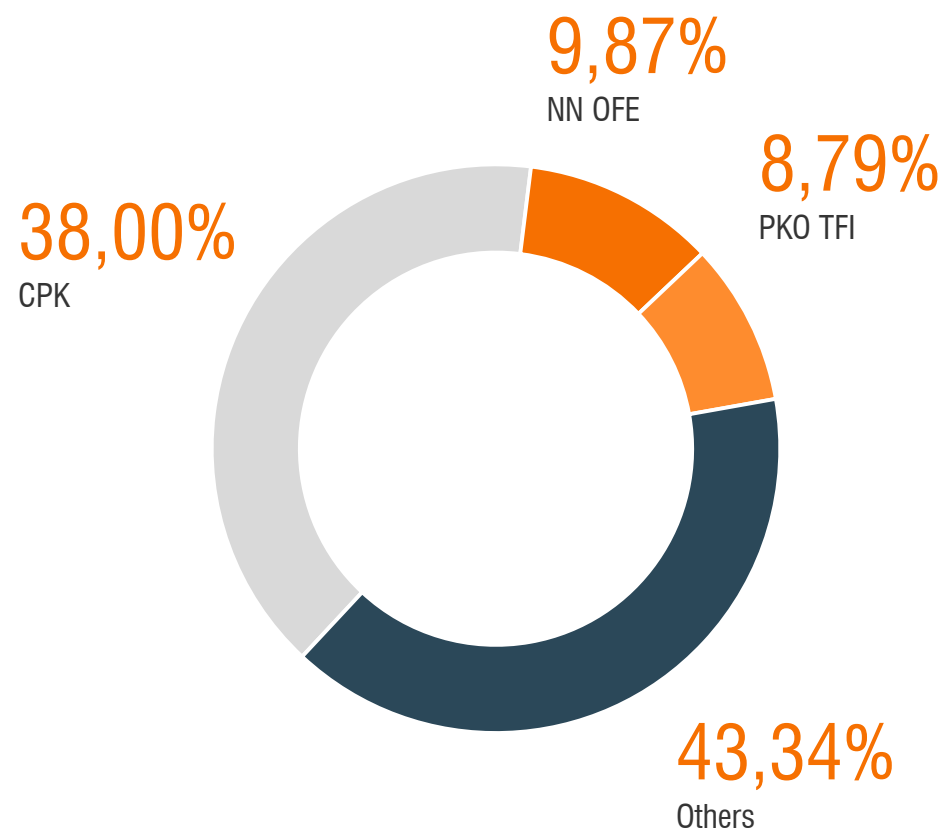
**The decrease in the individual profitability indicators is a consequence of the change in the structure of the order book and the dominant contracts characterised by lower average gross sales margins compared to the situation in 2022.**

# Shareholder structure (based on notifications received)

22 May 2023



Shareholder	Number of shares	(%) in capital
CPK sp. z o.o.	8 728 600	38.00%
NN OFE	2 266 962	9.87%
PKO TFI	2 019 209	8.79%
Others	9 955 229	43.34%
<b>TOTAL</b>	<b>22 970 000</b>	<b>100 %</b>



# Financial results of TORPOL Capital Group



Data in PLN thousand	1Q23	Structure %	1Q22	Structure %	Change	Change in %
Sales of services	212 420	99,9%	207 803	99,7%	4 617	2,2%
Revenues from sales of goods and products	115	0,1%	583	0,3%	-468	-80,3%
<b>Sales revenues</b>	<b>212 535</b>	<b>100,0%</b>	<b>208 386</b>	<b>100,0%</b>	<b>4 149</b>	<b>2,0%</b>
Cost of goods sold	191 057	89,9%	177 421	85,1%	13 636	7,7%
<b>Gross profit on sales</b>	<b>21 478</b>	<b>10,1%</b>	<b>30 965</b>	<b>14,9%</b>	<b>-9 487</b>	<b>-30,6%</b>
Cost of sales	0	0,0%	289	0,1%	-289	-100,0%
General and administrative costs	9 627	4,5%	8 204	3,9%	1 423	17,3%
<b>Profit on sales</b>	<b>11 851</b>	<b>5,6%</b>	<b>22 472</b>	<b>10,8%</b>	<b>-10 621</b>	<b>-47,3%</b>
Other operating profit	1 053	0,5%	3 712	1,8%	-2 659	-71,6%
Other operating costs	588	0,3%	3 152	1,5%	-2 564	-81,3%
<b>Profit from operating activities</b>	<b>12 316</b>	<b>5,8%</b>	<b>23 032</b>	<b>11,1%</b>	<b>-10 716</b>	<b>-46,5%</b>
Interest revenue	7 240	3,4%	1 549	0,7%	5 691	367,4%
Other financial revenue	582	0,3%	1 732	0,8%	-1 150	-66,4%
Financial expenses	1 868	0,9%	1 073	0,5%	795	74,1%
<b>Gross profit</b>	<b>18 270</b>	<b>8,6%</b>	<b>25 240</b>	<b>12,1%</b>	<b>-6 970</b>	<b>-27,6%</b>
Income tax	3 854	1,8%	4 980	2,4%	-1 126	-22,6%
<b>Net profit</b>	<b>14 416</b>	<b>6,8%</b>	<b>20 260</b>	<b>9,7%</b>	<b>-5 844</b>	<b>-28,8%</b>
Profit per one share (in PLN):	0,63	-	0,88	-	0	-28,4%
<b>EBITDA</b>	<b>18 798</b>	<b>8,8%</b>	<b>29 094</b>	<b>14,0%</b>	<b>-10 296</b>	<b>-35,4%</b>

# Financial results of TORPOL Capital Group



Data in PLN thousand	31/03/2023	Structure %	31/12/2022	Structure %	Change	Change in %
<b>Fixed assets</b>	<b>233 504</b>	<b>21,9%</b>	<b>220 548</b>	<b>21,4%</b>	<b>12 956</b>	<b>5,9%</b>
Tangible fixed assets	111 821	10,5%	98 628	9,6%	13 193	13,4%
Right-of-use assets	59 470	5,6%	69 159	6,7%	-9 689	-14,0%
Goodwill	9 008	0,8%	9 008	0,9%	0	0,0%
Intangible assets	3 487	0,3%	3 671	0,4%	-184	-5,0%
Receivables due to withheld amounts	5	0,0%	34	0,0%	-29	-85,3%
Other long-term receivables	11 886	1,1%	12 029	1,2%	-143	-1,2%
Deferred tax assets	36 055	3,4%	25 937	2,5%	10 118	39,0%
Prepayments	1 772	0,2%	2 082	0,2%	-310	-14,9%
<b>Current assets</b>	<b>831 690</b>	<b>78,1%</b>	<b>807 924</b>	<b>78,6%</b>	<b>23 766</b>	<b>2,9%</b>
Inventories	84 173	7,9%	69 419	6,7%	14 754	21,3%
Trade and service receivables	197 601	18,6%	110 849	10,8%	86 752	78,3%
Receivables due to withheld amounts	106	0,0%	221	0,0%	-115	-52,0%
Assets due to contracts with customers	70 639	6,6%	111 273	10,8%	-40 634	-36,5%
Income tax receivables	0	0,0%	4 282	0,4%	-4 282	-100,0%
Other financial receivables	4 674	0,4%	5 172	0,5%	-498	-9,6%
Other non-financial receivables	16 623	1,6%	5 409	0,5%	11 214	207,3%
Prepayments	5 869	0,6%	5 087	0,5%	782	15,4%
Loans granted	54	0,0%	55	0,0%	-1	-1,8%
Cash and cash equivalents	449 501	42,2%	492 841	47,9%	-43 340	-8,8%
Other financial assets	2 450	0,2%	3 316	0,3%	-866	-26,1%
<b>TOTAL ASSETS</b>	<b>1 065 194</b>	<b>100,0%</b>	<b>1 028 472</b>	<b>100,0%</b>	<b>36 722</b>	<b>3,6%</b>

# Financial results of TORPOL Capital Group



data in PLN thousand

	31/03/2023	Structure %	31/12/2022	Structure %	Change	Change in %
<b>Equity</b>	<b>422 814</b>	<b>39,7%</b>	<b>408 398</b>	<b>39,7%</b>	<b>14 416</b>	<b>3,5%</b>
Share capital	4 594	0,4%	4 594	0,4%	0	0,0%
Other reserve capital	162 428	15,2%	162 333	15,8%	95	0,1%
Share premium	54 617	5,1%	54 617	5,3%	0	0,0%
Retained earnings	197 410	18,5%	183 089	17,8%	14 321	7,8%
Supplementary capital – other	3 212	0,3%	3 212	0,3%	0	0,0%
Foreign exchange differences on translation of foreign operations	0	0,0%	0	0,0%	0	#DZIEL/0!
Revaluation reserve (actuarial gains/losses)	553	0,1%	553	0,1%	0	0,0%
<b>Non-controlling interests</b>	<b>-880</b>	<b>-0,1%</b>	<b>-880</b>	<b>-0,1%</b>	<b>0</b>	<b>0,0%</b>
<b>Long-term liabilities</b>	<b>115 254</b>	<b>10,8%</b>	<b>119 425</b>	<b>11,6%</b>	<b>-4 171</b>	<b>-3,5%</b>
Interest-bearing loans and borrowings	18 322	1,7%	19 221	1,9%	-899	-4,7%
Long-term liabilities due to lease agreements	40 810	3,8%	43 395	4,2%	-2 585	-6,0%
Other financial liabilities	4 197	0,4%	4 162	0,4%	35	0,8%
Provisions	31 392	2,9%	33 009	3,2%	-1 617	-4,9%
Deferred revenue	0	0,0%	0	0,0%	0	#DZIEL/0!
Liabilities due to withheld amounts	20 533	1,9%	19 638	1,9%	895	4,6%
<b>Short-term liabilities</b>	<b>528 006</b>	<b>49,6%</b>	<b>501 529</b>	<b>48,8%</b>	<b>26 477</b>	<b>5,3%</b>
Trade and service liabilities	93 956	8,8%	87 792	8,5%	6 164	7,0%
Liabilities due to withheld amounts	22 726	2,1%	22 680	2,2%	46	0,2%
Loans and borrowings	5 095	0,5%	6 385	0,6%	-1 290	-20,2%
Short-term liabilities due to lease agreements	12 540	1,2%	13 093	1,3%	-553	-4,2%
Other financial liabilities	6 977	0,7%	10 407	1,0%	-3 430	-33,0%
Deferred revenue	7 279	0,7%	2	0,0%	7 277	363850,0%
Liabilities from contract pricing	168 753	15,8%	121 457	11,8%	47 296	38,9%
Advance payments received for contracts	103 099	9,7%	137 461	13,4%	-34 362	-25,0%
CIT related liabilities	1 402	0,1%	232	0,0%	1 170	504,3%
Current liabilities for social security and taxes other than income tax	18 419	1,7%	21 309	2,1%	-2 890	-13,6%
Other non-financial liabilities	958	0,1%	693	0,1%	265	38,2%
Accruals	47 157	4,4%	37 849	3,7%	9 308	24,6%
Provisions	39 645	3,7%	42 169	4,1%	-2 524	-6,0%
<b>Total liabilities</b>	<b>643 260</b>	<b>60,4%</b>	<b>620 954</b>	<b>60,4%</b>	<b>22 306</b>	<b>3,6%</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1 065 194</b>	<b>100,0%</b>	<b>1 028 472</b>	<b>100,0%</b>	<b>36 722</b>	<b>3,6%</b>

# Financial results of TORPOL Capital Group



<i>data in PLN thousand</i>	1Q23	1Q22	Change
<b>Cash flows from operating activity</b>			
<b>Gross profit/loss</b>	<b>18 270</b>	<b>25 240</b>	<b>-6 970</b>
Adjustments by items:	-46 825	35 935	-82 760
Depreciation	6 482	6 062	420
Profit from investing activities	-228	-106	-122
Change in receivables and assets under contracts with customers	-53 365	3 654	-57 019
Change in the balance of prepayments and accruals	8 836	-12 280	21 116
Change in inventories	-14 754	-17 020	2 266
Change in payables except for bank loans and borrowings	24 372	59 903	-35 531
Interests received	-7 240	-1 549	-5 691
Interests paid	1 733	1 014	719
Change in the balance of provisions	-4 141	11 033	-15 174
Income tax paid/reimbursed	-8 520	-14 795	6 275
Other	0	19	-19
<b>Net cash flows from operating activity</b>	<b>-28 555</b>	<b>61 175</b>	<b>-89 730</b>

<i>data in PLN thousand</i>	1Q23	1Q22	Change
<b>Cash flows from investing activities</b>			
Sale of fixed tangible assets and intangibles	243	121	122
Purchase of fixed tangible assets and intangibles	-12 330	-1 788	-10 542
Interests received	5 059	529	4 530
Other	1	0	1
<b>Net cash flows from investing activities</b>	<b>-7 027</b>	<b>-1 138</b>	<b>-5 889</b>
<b>Cash flows from financial activities</b>			
Payment of finance lease liabilities	-3 761	-4 019	258
Payment of loans and borrowings	-2 189	-11 808	9 619
Interests paid	-1 808	-997	-811
<b>Net cash flows from financial activities</b>	<b>-7 758</b>	<b>-16 824</b>	<b>9 066</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>-43 340</b>	<b>43 213</b>	<b>-86 553</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>492 841</b>	<b>431 881</b>	<b>60 960</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>449 501</b>	<b>475 094</b>	<b>-25 593</b>

# Financial results of TORPOL



Data in PLN thousand	1Q23	Structure %	1Q22	Structure %	Change	Change in %
Sales of services	188 589	99,9%	202 142	99,9%	-13 553	-6,7%
Revenues from sales of goods and products	109	0,1%	186	0,1%	-77	-41,4%
<b>Sales revenues</b>	<b>188 698</b>	<b>100,0%</b>	<b>202 328</b>	<b>100,0%</b>	<b>-13 630</b>	<b>-6,7%</b>
Cost of goods sold	168 760	89,4%	171 800	84,9%	-3 040	-1,8%
<b>Gross profit on sales</b>	<b>19 938</b>	<b>10,6%</b>	<b>30 528</b>	<b>15,1%</b>	<b>-10 590</b>	<b>-34,7%</b>
Cost of sales	0	0,0%	289	0,1%	-289	-100,0%
General and administrative costs	7 933	4,2%	6 874	3,4%	1 059	15,4%
<b>Profit on sales</b>	<b>12 005</b>	<b>6,4%</b>	<b>23 365</b>	<b>11,5%</b>	<b>-11 360</b>	<b>-48,6%</b>
Other operating profit	1 028	0,5%	3 699	1,8%	-2 671	-72,2%
Other operating costs	539	0,3%	3 139	1,6%	-2 600	-82,8%
<b>Profit on operating activity</b>	<b>12 494</b>	<b>6,6%</b>	<b>23 925</b>	<b>11,8%</b>	<b>-11 431</b>	<b>-47,8%</b>
Interest related income	6 759	3,6%	1 548	0,8%	5 211	336,6%
Other financial revenues	644	0,3%	1 781	0,9%	-1 137	-63,8%
Financial expenses	1 756	0,9%	1 050	0,5%	706	67,2%
<b>Gross profit</b>	<b>18 141</b>	<b>9,6%</b>	<b>26 204</b>	<b>13,0%</b>	<b>-8 063</b>	<b>-30,8%</b>
Income tax	3 816	2,0%	5 135	2,5%	-1 319	-25,7%
<b>Net profit for the period</b>	<b>14 325</b>	<b>7,6%</b>	<b>21 069</b>	<b>10,4%</b>	<b>-6 744</b>	<b>-32,0%</b>
Profit per one share (in PLN):	0,62	-	0,92	-	0	-32,6%
<b>EBITDA</b>	<b>18 551</b>	<b>9,8%</b>	<b>29 657</b>	<b>14,7%</b>	<b>-11 106</b>	<b>-37,4%</b>

# Financial results of TORPOL



Data in PLN thousand	31/03/2023	Structure %	31/12/2022	Structure %	Change	Change in %
<b>Fixed assets</b>	<b>234 290</b>	<b>24,4%</b>	<b>221 820</b>	<b>24,6%</b>	<b>12 470</b>	<b>5,6%</b>
Tangible fixed assets	109 579	11,4%	97 095	10,8%	12 484	12,9%
Right-of-use assets	57 947	6,0%	67 508	7,5%	-9 561	-14,2%
Goodwill	9 008	0,9%	9 008	1,0%	0	0,0%
Intangible assets	3 335	0,3%	3 532	0,4%	-197	-5,6%
Shares in affiliate entities	5 404	0,6%	5 404	0,6%	0	0,0%
Receivables due to withheld amounts	5	0,0%	34	0,0%	-29	-85,3%
Other long-term receivables	11 886	1,2%	12 029	1,3%	-143	-1,2%
Deferred tax assets	35 743	3,7%	25 728	2,8%	10 015	38,9%
Prepayments	1 383	0,1%	1 482	0,2%	-99	-6,7%
<b>Current assets</b>	<b>725 672</b>	<b>75,6%</b>	<b>681 338</b>	<b>75,4%</b>	<b>44 334</b>	<b>6,5%</b>
Inventories	68 641	7,2%	63 896	7,1%	4 745	7,4%
Trade and service receivables	175 803	18,3%	86 171	9,5%	89 632	104,0%
Receivables due to withheld amounts	99	0,0%	213	0,0%	-114	-53,5%
Loans granted	845	0,1%	14 934	1,7%	-14 089	-94,3%
Other non-financial receivables	4 674	0,5%	5 172	0,6%	-498	-9,6%
Assets due to contracts with customers and other uninvoiced income	45 508	4,7%	81 598	9,0%	-36 090	-44,2%
Income tax receivables	0	0,0%	4 282	0,5%	-4 282	-100,0%
Other non-financial receivables	7 230	0,8%	4 544	0,5%	2 686	59,1%
Prepayments	4 768	0,5%	4 222	0,5%	546	12,9%
Other financial assets	2 450	0,3%	3 316	0,4%	-866	-26,1%
Cash and cash equivalents	415 654	43,3%	412 990	45,7%	2 664	0,6%
<b>TOTAL ASSETS</b>	<b>959 962</b>	<b>100,0%</b>	<b>903 158</b>	<b>100,0%</b>	<b>56 804</b>	<b>6,3%</b>

# Financial results of TORPOL



data in PLN thousand

	31/03/2023	Structure %	31/12/2022	Structure %	Change	Change in %
<b>Equity</b>	<b>424 029</b>	<b>44,2%</b>	<b>409 704</b>	<b>45,4%</b>	<b>14 325</b>	<b>3,5%</b>
Share capital	4 594	0,5%	4 594	0,5%	0	0,0%
Other reserve capital	162 333	16,9%	162 333	18,0%	0	0,0%
Supplementary capital	54 617	5,7%	54 617	6,0%	0	0,0%
Retained earnings	197 625	20,6%	183 300	20,3%	14 325	7,8%
Supplementary capital – other	4 301	0,4%	4 301	0,5%	0	0,0%
Foreign exchange differences on translation of foreign operations	0	0,0%	0	0,0%	0	-
Revaluation reserve (actuarial gains/losses)	559	0,1%	559	0,1%	0	0,0%
<b>Long-term liabilities</b>	<b>113 634</b>	<b>11,8%</b>	<b>117 871</b>	<b>13,1%</b>	<b>-4 237</b>	<b>-3,6%</b>
Interest-bearing loans and borrowings	18 052	1,9%	18 905	2,1%	-853	-4,5%
Provisions	31 392	3,3%	33 009	3,7%	-1 617	-4,9%
Long-term liabilities due to lease agreements	40 201	4,2%	42 659	4,7%	-2 458	-5,8%
Liabilities due to withheld amounts	19 792	2,1%	19 136	2,1%	656	3,4%
Other financial liabilities	4 197	0,4%	4 162	0,5%	35	0,8%
<b>Short-term liabilities</b>	<b>422 299</b>	<b>44,0%</b>	<b>375 583</b>	<b>41,6%</b>	<b>46 716</b>	<b>12,4%</b>
Trade and service liabilities	79 333	8,3%	67 819	7,5%	11 514	17,0%
Liabilities due to withheld amounts	22 327	2,3%	22 213	2,5%	114	0,5%
Loans and borrowings	3 375	0,4%	3 349	0,4%	26	0,8%
Short-term liabilities due to lease agreements	11 597	1,2%	12 153	1,3%	-556	-4,6%
Other financial liabilities	5 748	0,6%	9 029	1,0%	-3 281	-36,3%
Deferred revenue	2	0,0%	2	0,0%	0	0,0%
Liabilities from contract pricing	166 724	17,4%	119 891	13,3%	46 833	39,1%
Advance payments received for contracts	28 636	3,0%	57 387	6,4%	-28 751	-50,1%
Current liabilities for social security and taxes other than income tax	17 161	1,8%	5 710	0,6%	11 451	200,5%
Other non-financial liabilities	895	0,1%	665	0,1%	230	34,6%
CIT related liabilities	1 261	0,1%	0	0,0%	1 261	-
Accruals	45 696	4,8%	35 297	3,9%	10 399	29,5%
Provisions	39 544	4,1%	42 068	4,7%	-2 524	-6,0%
<b>Total liabilities</b>	<b>535 933</b>	<b>55,8%</b>	<b>493 454</b>	<b>54,6%</b>	<b>42 479</b>	<b>8,6%</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>959 962</b>	<b>100,0%</b>	<b>903 158</b>	<b>100,0%</b>	<b>56 804</b>	<b>6,3%</b>

# Financial results of TORPOL



<i>data in PLN thousand</i>	1Q23	1Q22	Change
<b>Cash flows from operating activity</b>			
<b>Gross profit</b>	<b>18 141</b>	<b>26 204</b>	<b>-8 063</b>
Adjustments by items:	-16 772	33 091	-49 863
Depreciation	6 057	5 732	325
Profit from investing activities	-243	-121	-122
Change in receivables and assets under contracts with customers	-52 129	-4 333	-47 796
Change in inventories	-4 745	-15 941	11 196
Change in payables except for bank loans and borrowings	41 889	64 351	-22 462
Interests received	-6 759	-1 548	-5 211
Interests paid	1 635	992	643
Change in accrual and prepayments	9 952	-12 352	22 304
Change in the balance of provisions	-4 141	11 033	-15 174
Income tax paid/reimbursed	-8 288	-14 741	6 453
Other	0	19	-19
<b>Net cash flows from operating activity</b>	<b>1 369</b>	<b>59 295</b>	<b>-57 926</b>

<i>data in PLN thousand</i>	1Q23	1Q22	Change
<b>Cash flows from investing activities</b>			
Sale of fixed tangible assets and intangibles	243	121	122
Purchase of fixed tangible assets and intangibles	-11 454	-1 614	-9 840
Loan repayment	27 918	0	27 918
Loans granted	-13 909	0	-13 909
Interests received	4 389	529	3 860
<b>Net cash flows from investing activities</b>	<b>7 187</b>	<b>-964</b>	<b>8 151</b>
<b>Cash flows from financial activities</b>			
Payment of finance lease liabilities	-3 490	-3 780	290
Payment of loans and borrowings	-827	-11 724	10 897
Interests paid	-1 575	-975	-600
<b>Net cash flows from financial activities</b>	<b>-5 892</b>	<b>-16 479</b>	<b>10 587</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2 664</b>	<b>41 852</b>	<b>-39 188</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>412 990</b>	<b>428 973</b>	<b>-15 983</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>415 654</b>	<b>470 825</b>	<b>-55 171</b>

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