

Condensed Interim Consolidated Financial Statement

of the Elektrotim Capital Group
for the period from January 1, 2024,
to June 30, 2024

TABLE OF CONTENTS

Condensed interim consolidated financial statement for the period January 1 – June 30, 2024	5
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION	5
CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS	7
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	7
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS	8
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR PERIOD 01.06.2024-30.06.2024	10
1. ADDITIONAL INFORMATION TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT	11
1.1. General information about the parent company	11
1.2. Basis of preparation and presentation principles	13
1.3. Accounting principles adopted	17
2. ADDITIONAL INFORMATION TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT	21
2.1. Information on operating segments	21
2.2. Intangible assets	22
2.3. Goodwill	25
2.4. Tangible fixed assets	25
2.5. Financial assets	30
2.6. Financial liabilities	31
Long-term financial liabilities	31
2.7. Deferred tax assets and liabilities	31
2.8. Inventories	33
2.9. Trade and other receivables	33
2.10. Assets and liabilities related to contracts	36
2.11. Cash and cash equivalents	36
2.12. Assets held for sale	37
2.13. Equity	38
2.14. Provisions	39
2.15. Trade and other payables	41
2.16. Lease liabilities	41
2.17. Other operating income and expenses	42
2.18. Financial income and expenses	43
2.19. Profit (loss) on the sale of shares in subsidiaries	44
2.20. Impairment of goodwill of subsidiaries	44
2.21. Information on financial instruments	44
2.22. Information on off-balance sheet items, in particular contingent liabilities	51
2.23. Method of calculating book value per share and diluted book value per share	51
2.24. Method of calculating earnings (loss) per ordinary share and diluted earnings (loss) per common share	52
2.25. Information on transactions with related parties, if they are individually or collectively significant and have been concluded on terms other than market terms	52
2.26. Information on significant events that occurred after the balance sheet date	52
3. CONDENSED INTERIM STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD 01.01. – 30.06.2024	53
SELECTED FINANCIAL DATA IN PLN AND CONVERTED TO EUR	53
CONDENSED INTERIM INDIVIDUAL STATEMENT OF FINANCIAL POSITION	54
CONDENSED INTERIM SEPARATE STATEMENT OF PROFIT OR LOSS	56
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME	56
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS	57
CONDENSED INTERIM SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 01.01.2024 – 30.06.2024	59
4. ADDITIONAL INFORMATION TO THE CONDENSED INTERIM STANDALONE FINANCIAL STATEMENT	60
4.1. Information on operating segments	60
4.2. Intangible assets	62
4.3. Goodwill	64
4.4. Tangible fixed assets	64
4.5. Financial assets	69
4.6. Financial liabilities	70

4.7. Deferred tax assets and liabilities	70
4.8. Inventories	72
4.9. Trade and other receivables	72
4.10. Assets and liabilities related to contracts	74
4.11. Cash and cash equivalents	75
4.12. Assets held for sale	75
4.13. Equity	76
4.14. Provisions	77
4.15. Trade and other payables	79
4.16. Leasing liabilities	79
4.17. Other operating income and expenses	80
4.18. Financial income and expenses	82
4.19. Profit (loss) on the sale of subsidiaries	82
4.20. Impairment of goodwill	82
4.21. Information on financial instruments	83
4.22. Off-balance sheet positions, particularly contingent liabilities	85
4.23. Calculation of book value per share and diluted book value per share	86
4.24. Calculation of profit (loss) per common share and diluted profit (loss) per common share	86
4.25. Information on transactions with related parties that are significant and conducted on terms other than market conditions	87
4.26. Information on significant events occurring after the balance sheet date	87

SELECTED FINANCIAL DATA IN PLN AND CONVERTED TO EUR

Condensed interim consolidated financial statement for the period January 1 – June 30, 2024

SELECTED FINANCIAL DATA in PLN and converted to EUR	In thousands of PLN		In thousands of EUR	
	01.01.- 30.06.2024/ 30.06.2024	01.01.- 30.06.2023/ 31.12.2023	01.01.- 30.06.2024/ 30.06.2024	01.01.- 30.06.2023/ 31.12.2023
I. Net revenue from sales of products, goods, and materials	173,554	225,785	40,259	48,945
II. Operating profit (loss)	16,614	22,316	3,854	4,838
III. Gross profit (loss)	31,632	22,076	7,338	4,786
IV. Net profit (loss)	29,095	16,941	6,749	3,672
V. Net cash flow from operating activities	-21,407	-66,492	-4,966	-14,414
VI. Net cash flow from investing activities	-386	1,490	-90	323
VII. Net cash flow from financing activities	1,827	15,944	424	3,456
VIII. Net cash flow, total	-19,966	-49,058	-4,632	-10,635
IX. Total assets	220,148	268,603	51,043	61,776
X. Liabilities and provisions for liabilities	110,524	165,433	25,626	38,048
XI. Long-term liabilities	25,648	16,425	5,947	3,778
XII. Short-term liabilities	84,876	149,008	19,679	34,270
XIII. Equity	109,624	103,170	25,417	23,728
XIV. Share capital	9,983	9,983	2,315	2,296
XV. Number of shares (in units)	9,983,009	9,983,009	9,983,009	9,983,009
XVI. Earnings (loss) per ordinary share (in PLN/EUR)	2.91	1.70	0.68	0.37
XVII. Diluted earnings (loss) per ordinary share (in PLN/EUR)	2.91	1.70	0.68	0.37
XVIII. Book value per share (in PLN/EUR)	10.98	10.33	2.55	2.38
XIX. Diluted book value per share (in PLN/EUR)	10.98	10.33	2.55	2.38
XX. Declared or paid dividend per share (in PLN/EUR)	2.50	1.50	0.58	0.34

USED FOR EUR CONVERSIONS

	30.06.2024	30.06.2023	31.12.2023
average exchange rate	4.3109	4.6130	4.5284
exchange rate on the last day of the reporting period	4.3130	4.4503	4.3480

Condensed interim consolidated financial statement for the period January 1 – June 30, 2024

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		in thousands of PLN	
Item description	note	30.06.2024	31.12.2023
I. Non-current assets		43,625	31,706
- Intangible assets	2.2.	166	187
- Goodwill	2.3.	6,394	6,394
- Tangible fixed assets	2.4.	20,300	13,050
- Investment properties	2.4.	4,890	0
- Other long-term financial assets	2.5.	1,461	1,328
- Deferred tax assets	2.7.	8,991	9,491
- Other long-term non-financial assets		1,423	1,256
II. Current assets		176,523	236,897
- Inventories	2.8.	6,110	2,876
- Trade and other receivables	2.9.	84,112	167,320
- Contract assets	2.10.	72,686	21,632
- Other short-term financial assets		421	0
- Cash and cash equivalents	2.11.	13,194	33,160
Current assets other than assets held for sale		176,523	224,988
Assets held for sale	2.12.	0	11,909
Total assets		220,148	268,603

		In thousands of PLN	
Item description	note	30.06.2024	31.12.2023
I. Equity		109,624	103,170
- Share capital	2.13.	9,983	9,983
- Excess of issue price over par value of shares		43,440	43,440
- Other reserves		-205	-205
- Retained earnings	2.13.	27,114	29,698
- Net profit (loss)		29,095	22,373
- Equity attributable to owners of the parent		109,427	105,289
- Non-controlling interests		197	-2,119
II. Liabilities and provisions for liabilities		110,524	165,433
1. Non-current liabilities		25,648	16,425
- Deferred tax liabilities	2.7.	2,806	701
- Non-current provisions	2.14.	12,758	12,884
- Non-current lease liabilities	2.16.	10,084	2,840
2. Current liabilities		84,876	149,008
- Current provisions	2.14.	11,157	19,647
- Trade and other payables	2.15.	66,379	93,198
- Other financial liabilities	2.6.	4,191	61
- Corporate income tax liabilities		0	1,689
- Current lease liabilities	2.16.	3,127	3,150
- Contract liabilities	2.10.	22	4,721
Current liabilities other than those related to assets held for sale		84,876	122,466
Liabilities related to assets held for sale		0	26,542
Total liabilities		220,148	268,603

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Calculation method, in thousands of PLN	note	01.01.- 30.06.2024	01.01.- 30.06.2023
- Revenue from sales		173,554	225,785
- Cost of goods sold		147,475	190,838
I Gross profit (loss) from sales		26,079	34,947
- Selling expenses		5,508	4,634
- General administrative expenses		9,632	6,584
- Other operating income	2.17.	7,970	880
- Other operating expenses	2.17.	2,026	2,255
- Profit (loss) on expected credit losses	2.17.	-269	-38
II Profit (loss) from operating activities		16,614	22,316
- Profit (loss) on loss of control	2.19.	18,231	0
- Financial income	2.18.	916	1,389
- Financial expenses	2.18.	4,129	1,629
- Impairment of goodwill of subsidiaries	2.20.	0	0
III Gross profit (loss)		31,632	22,076
- Income tax		2,604	5,404
- Net profit (loss) from continuing operations		29,028	16,672
- Profit (loss) from discontinued operations		0	0
IV Net profit (loss)		29,028	16,672
- Attributable to shareholders of the parent company		29,095	16,941
- Attributable to non-controlling interests		-67	-269

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In thousands of PLN	01.01.- 30.06.2024	01.01.- 30.06.2023
1. Net profit (loss)	29,028	16,672
2. Other comprehensive income, which:	0	0
- Will not be reclassified to profit or loss (actuarial gains/losses)	0	0
- Will be reclassified to profit or loss	0	0
3. Total comprehensive income	29,028	16,672
- Attributable to equity holders of the parent company	29,095	16,941
- Attributable to non-controlling interests	-67	-269

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Indirect method, in thousands of PLN		01.01.- 30.06.2024	01.01.- 30.06.2023
I.	Cash flows from operating activities		
1.	Gross profit (loss)	31,632	22,076
2.	Total adjustments	-53,039	-81,962
-	Depreciation	2,066	2,221
-	Profit (loss) from foreign exchange differences	1	5
-	Interest	419	-1,075
-	Profit (loss) from investing activities	-18,674	-83
-	Change in provisions	-6,513	-3,880
-	Change in inventory	-3,233	-7,658
-	Change in receivables	31,103	-26,717
-	Change in current liabilities, excluding loans and credits	-56,295	-43,778
-	Other adjustments	-1,913	-997
-	Cash flows used in operating activities	-21,407	-59,886
-	Income tax paid recognized in operating activities	0	-6,606
3.	Net cash flows from operating activities	-21,407	-66,492
II.	Cash flows from investing activities		
-	Proceeds from the sale of tangible fixed assets, intangible assets other than goodwill, investment property, and other fixed assets	63	86
-	Interest	390	1,071
-	Other investment income (including dividends and interest)	17	1,278
-	Purchase of tangible fixed assets, intangible assets other than goodwill, investment property, and other fixed assets	-683	-945
-	Other investment expenditures	-173	0
	Net cash flows from investing activities	-386	1,490

III. Cash flows from financing activities				
-	Net proceeds from the issuance of shares and other equity instruments	0	0	
-	Loans and credits (inflows)	4,130	0	
-	Other financial inflows (outflows)	0	0	
-	Acquisition of own shares (equity)	0	0	
-	Dividends and other payments to owners	-36	0	
-	Repayment of loans and credits	0	18,112	
-	Payments of lease obligations	-1,597	-1,722	
-	Interest	-670	-446	
	Net cash flows from financing activities	1,827	15,944	
IV. Net cash flows, total			-19,966	-49,058
-	Effects of changes in exchange rates affecting cash and cash equivalents	0	0	
-	Balance change in cash and cash equivalents, including:	-19,966	-49,058	
	Cash and cash equivalents at the beginning of the period	33,160	56,733	
	Cash and cash equivalents at the end of the period	13,194	7,675	
	with limited availability	3,731	4,302	

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR PERIOD 01.06.2024-30.06.2024

In thousands of PLN	Share capital	Share premium over nominal value of shares	Other reserves	Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total
Opening balance	9,983	43,440	-205	52,071	105,289	-2,119	103,170
Profit for the period	0	0	0	29,095	29,095	-67	29,028
Other comprehensive income for the period	0	0	0	0	0	0	0
Total comprehensive income	0	0	0	29,095	29,095	-67	29,028
Dividend	0	0	0	-24,957	-24,957	-36	-24,993
Other increases (decreases)	0	0	0	0	0	2,419	2,419
Capital increase (decrease)	0	0	0	4,138	4,138	2,316	6,454
Closing balance	9,983	43,440	-205	56,209	109,427	197	109,624

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR PERIOD 01.01.2023 - 30.06.2023

In thousands of PLN	Share capital	Share premium over nominal value of shares	Other reserves	Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total
Opening balance	9,983	43,440	-46	44,674	98,051	1,069	99,120
Profit for the period	0	0	0	16,941	16,941	-269	16,672
Other comprehensive income for the period	0	0	0	0	0	0	0
Total comprehensive income	0	0	0	16,941	16,941	-269	16,672
Dividend	0	0	0	-14,976	-14,976	-450	-15,426
Other increases (decreases)	0	0	0	0	0	0	0
Capital increase (decrease)	0	0	0	1,965	1,965	-719	1,246
Closing balance	9,983	43,440	-46	46,639	100,016	350	100,366

1. ADDITIONAL INFORMATION TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT

1.1. General information about the parent company

The parent entity of the ELEKTROTIM Capital Group (hereinafter referred to as the Capital Group or Group) is ELEKTROTIM S.A. (hereinafter referred to as the Company, ELEKTROTIM, or the Issuer).

During the reporting period, there was no change in the Company's name.

Legal form: Joint-Stock Company

Country of registration: Poland

The parent company was established by a Notarial Deed dated November 13, 1998.

The parent company is registered in the National Court Register of Entrepreneurs at the District Court for Wrocław Fabryczna in Wrocław, VI Economic Division of the National Court Register under KRS number 0000035081. The parent company has been assigned the statistical number REGON 931931108.

The registered office address of the entity is: Stargardzka 8, 54-156 Wrocław

Headquarters: Poland

The primary place of business activity is: Poland, Stargardzka 8, 54-156 Wrocław

The main type of activity is: PKD 43.21.Z - execution of electrical installations in buildings and structures.

The duration of the Capital Group's activity has not been limited.

This condensed semi-annual consolidated financial statement for the first half of 2024 (including comparative data) was approved for publication by the Management Board of the parent company on September 17, 2024.

Composition of the Management Board of the Parent Company and changes during the first half of 2024

During the period from January 1, 2024, to June 30, 2024, the Management Board of ELEKTROTIM S.A. remained unchanged in its composition, namely:

- | | | |
|--------------------------|---|------------------------------------|
| 1. Artur Więżnowski | - | President of the Management Board, |
| 2. Dariusz Kozikowski | - | Member of the Management Board, |
| 3. Krzysztof Wójcikowski | - | Member of the Management Board. |

On June 25, 2024, the Supervisory Board expanded the composition of the Management Board from three to five members and appointed two new Members of the Management Board, Mr. Maciej Posada and Mr. Marek Piotrowski, to take office starting July 1, 2024.

As of the date of this condensed interim consolidated financial statement, the composition of the Management Board of ELEKTROTIM S.A. is as follows:

- | | | |
|--------------------------|---|------------------------------------|
| 1. Artur Więżnowski | - | President of the Management Board, |
| 2. Dariusz Kozikowski | - | Member of the Management Board, |
| 3. Marek Piotrowski | - | Member of the Management Board, |
| 4. Maciej Posada | - | Member of the Management Board, |
| 5. Krzysztof Wójcikowski | - | Member of the Management Board. |

The joint three-year term of the Management Board will expire on the date of the Ordinary General Meeting of ELEKTROTIM S.A. approving the financial statements for the year 2024.

Composition of the Supervisory Board of the Parent Company and changes that occurred within it during the first half of 2024

During the period from January 1, 2024, to June 25, 2024, the Supervisory Board of ELEKTROTIM S.A. operated without any changes in its composition, namely:

Chairman of the Supervisory Board	-	Maciej Posadzy,
Deputy Chairman of the Supervisory Board	-	Krzysztof Kaczmarczyk,
Secretary of the Supervisory Board	-	Lesław Kula,
Member of the Supervisory Board	-	Marek Gabryjelski,
Member of the Supervisory Board	-	Jan Walulik.

On the date of the Ordinary General Meeting of ELEKTROTIM S.A., which approved the Company's financial statements for the year 2023 and took place on June 25, 2024, a change occurred in the position of Chairman of the Supervisory Board. This was due to Mr. Maciej Posadzy's resignation from the aforementioned role and his appointment to the Management Board of the Company. Additionally, elections for the new Chairman of the Supervisory Board and Members of the Supervisory Board were conducted.

Accordingly, from June 25, 2024, the Supervisory Board operates in the following composition:

Chairman of the Supervisory Board	-	Jan Walulik,
Deputy Chairman of the Supervisory Board	-	Krzysztof Kaczmarczyk,
Secretary of the Supervisory Board	-	Lesław Kula,
Member of the Supervisory Board	-	Marek Gabryjelski,
Member of the Supervisory Board	-	Jan Siniarski.

1.2. Basis of preparation and presentation principles

1.2.1. Basis for the preparation of the consolidated financial statements for the first half of 2024

The interim condensed consolidated financial statements of the ELEKTROTIM Group cover the six-month period ending on June 30, 2024. They have been prepared in accordance with IAS 34 Interim Financial Reporting and in compliance with the relevant accounting standards for interim financial reporting, adopted by the European Union and applicable at the time of preparing these interim condensed consolidated financial statements.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements prepared in accordance with IFRS. These interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements of the ELEKTROTIM Group for the year ended December 31, 2023.

The reporting currency of these interim condensed consolidated financial statements is the Polish zloty, and all amounts are expressed in thousands of Polish zlotys (unless otherwise indicated).

1.2.2. Retrospective applications of IAS/IFRS selected by the ELEKTROTIM Group

In the case of retrospective changes to accounting policies, presentation, or correction of errors, the Group presents a statement of financial position prepared additionally at the beginning of the comparative period if the above changes are significant for the data presented at the beginning of the comparative period. In such cases, the presentation of notes to the third statement of financial position is not required.

1.2.3. Changes in accounting policies

The accounting principles (policies) applied in the preparation of these interim condensed consolidated financial statements are consistent with those used in preparing the Group's financial statements for the year ended December 31, 2023, except for the application of the following changes to standards and new interpretations effective for annual periods beginning on January 1, 2024:

Changes in standards or interpretations applicable and adopted by the Group from 2024

New or amended standards and interpretations that are effective from January 1, 2024, and their impact on the Group's consolidated financial statements:

- Amendment to IAS 1 "Presentation of Financial Statements"
The IASB clarified the rules for classifying liabilities as current or non-current, primarily in two aspects:
 - It was specified that the classification depends on the rights that the entity has at the reporting date,
 - Management's intentions regarding the acceleration or postponement of payments for a liability are not taken into account.The changes apply to annual periods beginning on or after January 1, 2024. This amendment did not impact the Group's financial statements.
- Amendment to IAS 1 "Presentation of Financial Statements"
This amendment clarifies that at the reporting date, an entity does not consider covenants that will need to be fulfilled in the future when determining the classification of liabilities as current or non-current. Instead, the entity should disclose information about these covenants in the notes to the financial statements.
This amendment is effective for annual periods beginning on or after January 1, 2024.

This amendment did not impact the Group's financial statements.

- Amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments – Disclosures"
The amendments clarify the characteristics of financing arrangements related to liabilities to suppliers (commonly referred to as reverse factoring agreements) and introduce a requirement to disclose information about agreements made with suppliers, including their terms, the amounts of those liabilities, payment deadlines, and liquidity risk information.
These amendments are effective for annual periods beginning on or after January 1, 2024.
These changes did not impact the Group's financial statements.
- Amendment to IFRS 16 "Leases"
The amendment clarifies the requirements regarding the measurement of lease liabilities arising from sale and leaseback transactions. It aims to prevent improper recognition of profit on the transaction concerning the retained right of use when lease payments are variable and not dependent on an index or rate.
This amendment is effective for annual periods beginning on or after January 1, 2024.
This amendment did not impact the Group's financial statements.

Application of a standard or interpretation before its effective date

In these interim condensed consolidated financial statements, no voluntary early application of a standard or interpretation has been adopted.

Up to the date of preparing these financial statements, the following new or amended standards and interpretations have been published, applicable for annual periods following the year 2023. The list also includes changes, standards, and interpretations that have been published but have not yet been approved for use in the countries of the European Union:

- Amendment to IAS 21 "The Effects of Changes in Foreign Exchange Rates"
The amendment clarifies how an entity should assess whether a currency is exchangeable and how it should determine the exchange rate in the absence of exchangeability. It also requires the disclosure of information that enables users of financial statements to understand the impact of a currency's lack of exchangeability.
This amendment is effective for annual periods beginning on or after January 1, 2025.
The Group estimates that these changes will not impact its financial statements.
- Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments – Disclosures"
The amendments concern the classification and measurement of financial instruments.
These amendments are effective for annual periods beginning on or after January 1, 2026.
The Group is currently analyzing the impact of these new regulations on its financial statements.
- Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures"
The amendments concern the sale or contribution of assets between an investor and its associate or joint venture.
The EU has indefinitely postponed the approval process for these amendments, and the effective date has been deferred by the IASB for an unspecified period.
- New IFRS 14 "Regulatory Deferral Accounts"
According to the decision of the European Commission, the approval process for the interim version of the standard will not be initiated until the final version of the standard is released.

- New IFRS 18 "Presentation and Disclosure in Financial Statements"
This standard is set to replace IAS 1 "Presentation of Financial Statements."
The amendment is effective for annual periods beginning on or after January 1, 2027.
The Group is currently analyzing the impact of these new regulations on its financial statements.
- New IFRS 19 "Subsidiaries without Public Accountability: Disclosure"
This standard is effective for annual periods beginning on or after January 1, 2027.
The Group is currently analyzing the impact of these new regulations on its financial statements.

The Group intends to implement the above regulations within the timelines specified by the standards or interpretations.

At the date of approval of the interim condensed consolidated financial statements, the Group is in the process of assessing the impact of the adoption of the above standards and interpretations on its accounting policies, financial position, operating results, and the extent of information presented in the consolidated financial statements.

1.2.4. Continuation of operations

This interim condensed consolidated financial statement has been prepared on the assumption that the Group will continue its operations in the foreseeable future.

As of the date of preparation and approval for publication of this interim condensed consolidated financial statement, there are no circumstances indicating a threat to the Group's ability to continue its operations significantly unchanged for a period of 12 months from the date of the interim condensed consolidated financial statement.

1.2.5. Companies included in the consolidated financial statements

ELEKTROTIM S.A. prepares the interim condensed consolidated financial statements for the first half of 2024, which include the following entities:

- ELEKTROTIM S.A. (parent company),
- OSTOYA-DataSystem Sp. z o.o. (subsidiary since January 11, 2017),
- ZEUS S.A. (until March 27, 2024).

On March 27, 2024, all shares held in the subsidiary ZEUS S.A. were sold, which resulted in a change in the composition of the Group.

At the date of approval of this report for publication, the Group consists of 2 entities:

- ELEKTROTIM S.A. (parent company),
- OSTOYA-DataSystem Sp. z o.o. (subsidiary since January 11, 2017).

The aforementioned entities are based in Poland.

1.3. Accounting principles adopted

1.3.1. Consolidation principles

ELEKTROTIM S.A. has been preparing consolidated financial statements since 2007.

The consolidated financial statements of the Capital Group include the parent company, ELEKTROTIM S.A., as well as the companies under its control. The Capital Group is considered to have control if it is exposed to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the entity.

The acquisition method is applied when acquiring interests in business entities. Entities acquired or disposed of during the year are included in the consolidated financial statements from the acquisition date or until the date of sale, respectively.

Interests that do not provide control are presented as a separate item within equity and represent the portion of total income and net assets of subsidiaries attributable to entities other than those in the Capital Group. The Group allocates the total income of subsidiaries between the shareholders of the parent company and non-controlling interests based on their ownership share.

Subsidiaries are consolidated using the full consolidation method. Balances of internal transactions between entities within the Capital Group, transactions conducted within the Capital Group, and any resulting unrealized gains or losses, as well as the Group's revenues and expenses, are eliminated during the preparation of the consolidated financial statements. Unrealized losses are excluded from the consolidated financial statements on the same basis as unrealized gains, until indications of impairment arise

Goodwill

The goodwill reported in the statement of financial position includes the entire goodwill of subsidiaries, which is the excess of the purchase price of the shares of that entity and non-controlling interests (valued in proportion to the share of net assets) over the fair value of the acquired net assets. Detailed information regarding goodwill is disclosed in Note 2.3 to the interim condensed consolidated financial statements.

Goodwill is not amortized; instead, an annual impairment test is conducted in accordance with IAS 36.

1.3.2. Functional currency and presentation currency of financial statements and principles adopted for currency conversion of financial data

Functional currency

The functional currency of the Group and the currency of presentation for this interim condensed consolidated financial statements is the Polish zloty.

Presentation currency

All amounts presented in the interim condensed consolidated financial statements are expressed in thousands of Polish zloty (unless otherwise indicated). Due to the adopted method of presenting data in the consolidated financial statements in thousands of Polish zloty and the rounding techniques applied, individual items in the statements may not sum to the totals presented (with a difference of 1 thousand PLN).

Generally, transactions expressed in currencies other than Polish zloty are converted to Polish zloty using the exchange rate in effect on the transaction date (spot rate). However, if a sale or purchase transaction is

preceded by the receipt or payment of an advance in a foreign currency, the advance is recorded at the exchange rate on the payment date. Subsequently, when recognizing revenue earned in foreign currency or costs, or an acquired asset, these transactions are recorded at the exchange rate on the date the advance was recognized, rather than the rate on the date revenue or cost, or the asset was recognized.

At the reporting date, monetary items expressed in currencies other than Polish zloty are converted to Polish zloty using the closing rate applicable at the end of the reporting period, i.e., the average exchange rate set for that currency by the National Bank of Poland.

Non-monetary items recorded at historical cost expressed in foreign currency are stated at the historical exchange rate on the transaction date. Non-monetary items measured at fair value expressed in foreign currency are valued at the exchange rate on the date the fair value was determined, i.e., the average exchange rate set for that currency by the National Bank of Poland.

Exchange rate differences arising from the settlement of transactions or the translation of monetary items other than derivatives are recognized in the financial income or expense line item on a net basis, except for exchange rate differences that are capitalized as part of the value of assets in cases specified by accounting principles (when applicable, these are presented in the section regarding external financing costs).

1.3.3.Accounting policies

The interim condensed consolidated financial statements have been prepared based on the historical cost principle, except for: derivatives, equity instruments measured at fair value with changes recognized in the consolidated statement of profit or loss, and financial assets held for trading, which have been valued at fair value.

The interim condensed consolidated financial statements have been prepared in accordance with the applicable IAS/IFRS standards.

Subjective judgments and estimation uncertainty

Estimation uncertainty

In preparing the interim condensed consolidated financial statements, the Management of the parent company exercises judgment in making numerous estimates and assumptions that affect the accounting policies applied and the reported values of assets, liabilities, revenues, and expenses. Actual results may differ from those estimates made by Management.

Key assumptions regarding the future and other key sources of uncertainty at the end of the reporting period, which are associated with significant risks of material adjustments to the carrying amounts of assets and liabilities in the next financial year:

Construction service contracts

In the case of ongoing contracts, the Group applies the provisions of IFRS 15 'Revenue from Contracts with Customers' and recognizes revenue in the income statement based on the measurement of the degree of completion of the contracts, determined in proportion to the costs incurred for the work performed up to the end of the reporting period, relative to the estimated total costs of the contract. In this context, there is a risk that the Group may have incorrectly estimated the production costs, that there may be changes in production costs during the product development process, that there may be errors in project management, or errors in technical and technological solutions, and that the execution of the task may experience delays or setbacks. The consequences of these risks may include a reduction in revenue and/or an increase in costs, which in turn could lower the Group's financial results.

Deferred tax asset

The Group recognizes a deferred tax asset based on the assumption that it will achieve taxable profit in the future that allows for its utilization. A deterioration in future tax results could render this assumption unjustifiable.

The Group does not create a deferred tax asset for items for which there are no plans for future settlement. However, the Group does not rule out the possibility of creating such an asset or offsetting a loss if circumstances arise that permit such action.

Impairment write-downs of goodwill (value of shares/equity in subsidiaries)

At the end of each reporting period, the Management Board assesses whether there are any indicators of impairment of goodwill (value of shares/equity in subsidiaries). If such indicators exist, the Management Board writes down the value of these assets to their recoverable amount.

The recoverable amount is determined as the higher of the two: fair value less costs to sell or the value in use of the asset. The value in use is estimated using the DCF (Discounted Cash Flow) method. The DCF method is based on discounted cash flows generated by the subsidiaries, considering their projected operational schedules and sales inflows. The discount rate reflects the weighted average cost of capital (WACC), which takes into account both external and equity capital costs.

The recoverable amount of shares and the amount of impairment write-downs on shares are estimates as of June 30, 2024, and may change depending on the revenues achieved, production costs incurred, project execution schedules, and future discount rate calculations. Actual results may differ from these estimates, which were calculated based on data available at the time of their preparation. This is also tied to the uncertainty related to the accurate estimation of market conditions in the coming years.

Depreciation rates

The depreciation rates are determined based on the expected useful economic life of property, plant, and equipment, as well as intangible assets. During the 12-month period ending June 30, 2024, the Group reviewed the initially adopted useful lives of fixed assets and intangible assets and concluded that there was no need to adjust the estimated useful life.

Provisions

Provisions for employee benefits—retirement severance payments—are estimated using actuarial methods. The amount of provisions for employee benefits presented in the interim condensed consolidated financial statements is based on an estimate made by an independent actuary. The level of provisions is influenced by assumptions regarding the discount rate and the salary growth rate.

Income tax

The tax regulations in Poland are subject to frequent changes, leading to significant differences in their interpretation and considerable uncertainties in their application. The tax authorities have control mechanisms that allow them to verify the tax bases (in most cases for the previous 5 financial years).

As a result, determining tax liabilities, assets, and deferred tax provisions may require significant judgment, including for transactions that have already occurred. The amounts presented and disclosed in the financial statements may change in the future as a result of tax authorities' inspections.

Leasing period

In determining the lease liability, the Group estimates the lease period, which includes:

- The non-cancelable lease period,
- Periods in which there is an option to extend the lease, if it can be reasonably assured that the lessee will exercise that option,
- Periods in which there is an option to terminate the lease, if it can be reasonably assured that the lessee will not exercise that option.

In assessing whether the Group will exercise the extension option or not exercise the termination option, the Group considers all relevant facts and circumstances that provide economic incentives for it to either exercise or not exercise the option.

The lease liability presented in the statement of financial position reflects the best estimates regarding the lease term; however, changes in circumstances in the future may result in an increase or decrease in the lease liability, along with a corresponding adjustment in the right-of-use asset.

2. ADDITIONAL INFORMATION TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT

2.1. Information on operating segments

Products and services from which reporting segments generate revenue

The ELEKTROTIM Group offers its products in the construction and assembly market to both public and private customers.

The reporting segments identified within the ELEKTROTIM Group represent an aggregation of the organizational structure of the Group, with its operational part divided into separately managed business entities (plants) grouped into divisions. The criteria for distinguishing individual plants and divisions were product groups and territorial distribution.

To present information in a manner that allows for an accurate assessment of the nature and financial implications of the economic activities conducted by the Group, the operating segments have been divided according to the markets served by the divisions into:

- Industry – infrastructure for industrial plants,,
- Energy – energy generation, energy transmission, energy distribution,
- Local governments – road infrastructure, urban infrastructure, traffic engineering, municipal infrastructure,
- Defense ministries – military, security services, border protection, airports,
- Rail traction – infrastructure for railway traction power supply.

These segments collectively meet the following criteria:

- a) The division has been carried out in accordance with the overarching principle of IFRS 8: "the presentation of information in a manner that enables users of financial statements to assess the nature and financial effects of the economic activities in which the entity is engaged and the economic environment in which it operates."
- b) The segments exhibit similar economic characteristics
- c) The segments are similar in terms of:
 - The type of products and services offered.
 - The type of production processes employed.
 - The nature or groups of customers for the respective products and services.
 - The methods used in the distribution of products or the provision of services.

The measurement principles applied to the information concerning segments are consistent with the accounting policies of the Group, and their evaluation is based on sales revenue and gross profit (loss) from sales. Comparative data has been adjusted accordingly.

Product groups offered within operational segments:

- Power stations
- Security systems
- Airport systems
- Traction power supply

- Electrical installations
- High voltage lines
- Signaling and lighting
- Traffic engineering
- Municipal networks
- Electrical networks
- Production of switchgear
- Service
- Projects

Revenue and segment results

Below is an analysis of the Group's revenue and results across the individual reportable segments:

	Operating segments	Revenue from external customers	Revenue from intersegment sales and other segments	Cost of goods sold	Gross profit (loss) from external sales
01.01-30.06.2024	Industry	39,141	2,110	32,967	8,284
	Energy	53,849	-	47,910	5,939
	Governments	34,956	884	31,582	4,257
	Defense ministries	32,714	14	26,199	6,530
	Traction	12,894	-	11,825	1,069
01.01-30.06.2023	Industry	28,421	5,566	30,095	3,892
	Energy	97,502	-	84,813	12,689
	Governments	25,928	140	21,395	4,672
	Defense ministries	58,624	19	46,842	11,800
	Traction	15,311	-	13,417	1,894

Segment assets

The Group does not analyze segment assets and liabilities in the reports used by the Management Board of the Parent Company for operational and analytical purposes, as assets and liabilities are not allocated to specific segments.

Geographical information

The Group operates in only one geographical area – within Poland.

2.2. Intangible assets

Intangible assets

Item description	In thousands of PLN	
	30.06.2024	31.12.2023
completed development work	0	0
acquired concessions, patents, licenses, and similar intangible assets	25	29

other intangible assets	141	158
intangible assets, total	166	187

Changes in intangible assets (by category) for the period 01.01.2024 – 30.06.2024

In thousands of PLN	Development costs	Concessions, patents, licenses, and similar assets	Other intangible assets	Total intangible assets
Gross value of intangible assets at the beginning of the period	9	245	5,511	5,765
Increases, due to:	0	0	16	16
- purchase	0	0	16	16
- acquisition of subsidiaries	0	0	0	0
Decreases, due to:	0	0	0	0
- sale	0	0	0	0
- liquidation	0	0	0	0
Gross value of intangible assets at the end of the period	9	245	5,527	5,781
Accumulated depreciation (remission) at the beginning of the period	9	216	5,353	5,578
Depreciation for the period, due to:	0	4	33	37
- Planned write-downs	0	4	33	37
- Acquisition of subsidiaries	0	0	0	0
- Decreases	0	0	0	0
Accumulated depreciation (remission) at the end of the period	9	220	5,386	5,615
Impairment losses at the beginning of the period	0	0	0	0
- increases	0	0	0	0
- decreases	0	0	0	0
Impairment losses at the end of the period	0	0	0	0
Net value of intangible assets at the end of the period	0	25	141	166

Changes in intangible assets (by category) for the period 01.01.2023 - 31.12.2023

In thousands of PLN	Development costs	Concessions, patents, licenses, and similar assets	Other intangible assets	Total intangible assets
Gross value of intangible assets at the beginning of the period	9	245	5,327	5,581
Increases, due to:	0	0	184	184
- purchase	0	0	184	184
- acquisition of subsidiaries	0	0	0	0
Decreases, due to:	0	0	0	0
- sale	0	0	0	0
- liquidation	0	0	0	0
Gross value of intangible assets at the end of the period	9	245	5,511	5,765
Accumulated depreciation (remission) at the beginning of the period	9	207	5,222	5,438
Depreciation for the period, due to:	0	9	131	140
- Planned write-downs	0	9	131	140
- Acquisition of subsidiaries	0	0	0	0
- Decreases	0	0	0	0
Accumulated depreciation (remission) at the end of the period	9	216	5,353	5,578
Impairment losses at the beginning of the period	0	0	0	0
- increases	0	0	0	0
- decreases	0	0	0	0
Impairment losses at the end of the period	0	0	0	0
Net value of intangible assets at the end of the period	0	29	158	187

Intangible assets (ownership structure)

	In thousands of PLN	
	30.06.2024	31.12.2023
- Owned	166	187
- Used under lease, rental, or other agreements, including lease agreements	0	0
Intangible assets, total	166	187

2.3. Goodwill

	30.06.2024	In thousands of PLN 31.12.2023
- Subsidiaries	3,998	3,998
- cash-generating units	2,396	2,396
Goodwill of subsidiaries, total	6,394	6,394
Impairment due to the sale of a subsidiary	0	0
Carrying amount, total	6,394	6,394

As of December 31, 2023, impairment tests were conducted on the financial assets of cash-generating units (Zakład Stacji Elektroenergetycznych, Zakład Sieci Gliwice and Zakład Systemów Lotniskowych) as well as on the subsidiary.

As of June 30, 2024, there were no indications of potential impairment of the carrying amount of goodwill, and no impairment losses were recognized.

2.4. Tangible fixed assets

	30.06.2024	In thousands of PLN 31.12.2023
Tangible fixed assets, including	19,681	12,522
- land	869	869
- buildings, premises, and civil and water engineering facilities	11,379	4,512
- technical equipment and machinery	2,185	2,087
- means of transport	5,060	4,862
- other tangible fixed assets	188	192
Fixed assets, under construction	619	528
Tangible fixed assets under construction	20,300	13,050

Balance sheet fixed assets (ownership structure)

	30.06.2024	In thousands of PLN 31.12.2023
- Owned	6,304	6,171
- used under lease, rental, or other agreements, including leasing agreements	13,996	6,879
Total balance sheet fixed assets	20,300	13,050

Changes in fixed assets (by category) for the period 01.01.2024 – 30.06.2024

In thousands of PLN	land	buildings, premises, and civil engineering structures	technical devices and machinery	means of transport	other fixed assets	total fixed assets
Gross value of fixed assets at the beginning of the period	869	10,356	9,520	13,724	2,195	36,664
Increases, due to:	0	7,760	382	1,012	32	9,186
- Purchase/modification of agreement	0	7,760	382	1,012	32	9,186
- Acquisition of subsidiary	0	0	0	0	0	0
Decreases, due to:	0	0	10	431	96	537
- Sale and liquidation	0	0	10	431	96	537
Gross value of fixed assets at the end of the period	869	18,116	9,892	14,305	2,131	45,313
Accumulated depreciation (remission) at the beginning of the period	0	5,844	7,433	8,862	2,003	24,142
Depreciation for the period, due to:	0	893	274	383	-60	1,490
- Planned write-offs	0	893	284	814	36	2,027
- Acquisition of subsidiary	0	0	0	0	0	0
- Sale and liquidation	0	0	10	431	96	537
Accumulated depreciation (remission) at the end of the period	0	6,737	7,707	9,245	1,943	25,632
Write-downs due to permanent impairment at the beginning of the period	0	0	0	0	0	0
- Increases	0	0	0	0	0	0
- Decreases	0	0	0	0	0	0
Write-downs due to permanent impairment at the end of the period	0	0	0	0	0	0
Net value of fixed assets at the end of the period	869	11,379	2,185	5,060	188	19,681

Changes in fixed assets (by category) for the period 01.01.2023 - 31.12.2023

In thousands of PLN	land	buildings, premises, and civil engineering structures	technical devices and machinery	means of transport	other fixed assets	total fixed assets
Gross value of fixed assets at the beginning of the period	896	9,425	8,994	12,277	2,102	33,667
Increases, due to:	0	931	795	2,176	128	4,030
- Purchase/modification of agreement	0	931	795	2,176	128	4,030
- Acquisition of subsidiary	0	0	0	0	0	0
Decreases, due to:	0	0	269	729	35	1,033
- Sale and liquidation	0	0	269	729	35	1,033
Gross value of fixed assets at the end of the period	869	10,356	9,520	13,724	2,195	36,664
Accumulated depreciation (remission) at the beginning of the period	0	4,272	7,155	8,163	1,932	21,522
Depreciation for the period, due to:	0	1,572	278	699	71	2,620
- Planned write-offs	0	1,572	545	1,428	106	3,651
- Acquisition of subsidiary	0	0	0	0	0	0
- Sale and liquidation	0	0	267	729	35	1,031
Accumulated depreciation (remission) at the end of the period	0	5,844	7,433	8,862	2,003	24,142
Write-downs due to permanent impairment at the beginning of the period	0	0	0	0	0	0
- Increases	0	0	0	0	0	0
- Decreases	0	0	0	0	0	0
Write-downs due to permanent impairment at the end of the period	0	0	0	0	0	0
Net value of fixed assets at the end of the period	869	4,512	2,087	4,862	192	12,522

Leasing

The value of assets related to the right of use has been presented in the interim condensed consolidated statement of financial position together with fixed assets owned by the Group.

The values of the right of use assets in accordance with IFRS 16 have been presented in the table "Changes in Assets Related to Right of Use."

The significant increase in the value of the "buildings, premises, and civil engineering structures" group is due to the execution of an Annex to the lease agreement for the headquarters of the Parent Company on March 27, 2024. According to the agreed terms, the lease period has been extended until February 28, 2030. The impact of this modification on the value of fixed assets amounted to PLN 7,709 thousand and corresponds to the change in the value of long-term lease liabilities.

Changes in right-of-use assets (by category) for the period 01.01.2024 – 30.06.2024

In thousands of PLN	land	buildings, premises, and civil engineering structures	technical devices and machinery	means of transport	other fixed assets	total fixed assets
Gross value at the beginning of the period	0	7,430	643	6,488	0	14,561
Increases due to:	0	7,760	0	978	0	8,738
- conclusion of a lease agreement	0	0	0	978	0	978
- changes resulting from contract modifications	0	7,760	0	0	0	7,760
Decreases due to:	0	0	0	340	0	340
- termination of a lease agreement	0	0	0	119	0	119
- change of profile / buyout	0	0	0	221	0	221
Gross value at the end of the period	0	15,190	643	7,126	0	22,959
Accumulated depreciation (remission) at the beginning of the period	0	5,068	101	2,513	0	7,682
Depreciation for the period due to:	0	852	36	393	0	1,281
- planned write-offs	0	852	36	611	0	1,499
- depreciation of terminated lease/return	0	0	0	0	0	0
- change of profile / buyout	0	0	0	218	0	218
Accumulated depreciation (remission) at the end of the period	0	5,920	137	2,906	0	8,963
Impairment losses at the beginning of the period	0	0	0	0	0	0
- increases	0	0	0	0	0	0
- decreases	0	0	0	0	0	0
Impairment losses at the end of the period	0	0	0	0	0	0
Net value at the end of the period	0	9,270	506	4,220	0	13,996

Changes in right-of-use assets (by category) for the period 01.01.2023 - 31.12.2023

In thousands of PLN	land	buildings, premises, and civil engineering structures	technical devices and machinery	means of transport	other fixed assets	total fixed assets
Gross value at the beginning of the period	0	6 523	643	5 072	0	12 238
Increases due to:	0	907	0	1 835	0	2 742
- conclusion of a lease agreement	0	0	0	1 835	0	1 835
- changes resulting from contract modifications	0	907	0	0	0	907
Decreases due to:	0	0	0	419	0	419
- termination of a lease agreement	0	0	0	142	0	142
- change of profile / buyout	0	0	0	277	0	277
Gross value at the end of the period	0	7 430	643	6 488	0	14 561
Accumulated depreciation (remission) at the beginning of the period	0	3 578	29	1 793	0	5 400
Depreciation for the period due to:	0	1 490	72	720	0	2 282
- planned write-offs	0	1 490	72	1 008	0	2 570
- depreciation of terminated lease/return	0	0	0	142	0	142
- change of profile / buyout	0	0	0	146	0	146
Accumulated depreciation (remission) at the end of the period	0	5 068	101	2 513	0	7 682
Impairment losses at the beginning of the period	0	0	0	0	0	0
- increases	0	0	0	0	0	0
- decreases	0	0	0	0	0	0
Impairment losses at the end of the period	0	0	0	0	0	0
Net value at the end of the period	0	2 362	542	3 975	0	6 879

Change in the status of investment properties

	In thousands of PLN	
	01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
Balance at the beginning of the period	0	0
Increases	4,890	0
Decreases	0	0
Balance at the end of the period	4,890	0

Due to the sale of shares in the subsidiary ZEUS S.A. and the change in the use of the property in Pruszcz Gdański by the Group, it was reclassified from fixed assets to investment property.

The property contains office, production, and warehouse buildings with a total usable area of 1,599.40 m², along with other structures. It is subject to a lease agreement.

The valuation of this investment property was made at fair value, determined using a comparative method that reflects transactions on similar properties conducted recently. This value was adjusted for factors related to the specific property being valued.

2.5. Financial assets

Other long-term financial assets

	In thousands of PLN	
	30.06.2024	31.12.2023
Other entities	1,461	1,328
Shares or stocks	0	0
Other Long-Term Financial Assets (including deposits and collateral)	1,461	1,328
Total long-term financial assets	1,461	1,328

Change in the balance of long-term financial assets (by category)

	In thousands of PLN	
	01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
Balance at the beginning of the period	1,328	2,394
Loans granted	0	0
Other long-term financial assets	1,328	2,394
Increases, due to:	133	0
Loans granted	0	0
Other long-term financial assets	133	0
Decreases, due to:	0	1,066
Loans granted	0	0
Other long-term financial assets	0	1,066
Balance at the end of the period	1,461	1,328
Loans granted	0	0

Other long-term financial assets

1,461

1,328

2.6. Financial liabilities

Long-term financial liabilities

	In thousands of PLN	
	30.06.2024	31.12.2023
Loans and credits	0	0
Total long-term financial liabilities	0	0

Short-term financial liabilities

	In thousands of PLN	
	30.06.2024	31.12.2023
Loans, borrowings, debt securities	4,191	61
Total short-term financial liabilities	4,191	61

As of June 30, 2024, the parent company had liabilities related to a current account credit amounting to PLN 4,191 thousand, which was due to the current commitment of financial resources in the production cycle.

2.7. Deferred tax assets and liabilities

Change in the status of deferred income tax assets

	In thousands of PLN	
	01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
1. Status of deferred income tax assets at the beginning of the period, including:	9,491	4,976
a) Recognized in the financial result	9,491	4,976
2. Increases	8,962	9,461
a) Recognized in the financial result of the period due to negative temporary differences, including:	7,641	9,461
- Impairment losses on receivables	1,084	955
- Impairment losses on inventory	559	559
- Unpaid wages	0	1
- Provisions for employee benefits	854	1,731
- Provisions for warranty repairs	2,544	2,540
- Other	2,600	3,675
b) Recognized in the financial result of the period due to tax loss	1,321	0
3. Decreases	9,462	4,946
a) Recognized in the financial result of the period due to negative temporary differences	9,462	4,946
4. Status of deferred income tax assets at the end of the period, total, including:	8,991	9,491
a) Recognized in the financial result, due to:	7,670	9,491

- Impairment losses on receivables	1,086	957
- Impairment losses on inventory	559	559
- Unpaid wages	0	1
- Provisions for employee benefits	862	1,738
- Provisions for warranty repairs	2,562	2,555
- Other	2,601	3,681
b) Recognized in the financial result of the period due to tax loss	1,321	0
c) Recognized in equity	0	0
d) Recognized in goodwill	0	0

Change in the status of deferred income tax liability

		In thousands of PLN	
		01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
1.	Balance of deferred income tax reserve at the beginning of the period, including:	859	1,551
a)	Recognized in the profit or loss	859	1,551
2.	Increases	2,790	685
a)	Recognized in the profit or loss for the period due to positive temporary differences, including:	2,790	685
	- Valuation of receivables	0	0
	- Valuation of long-term contracts	475	0
	- Property, plant, and equipment (PPE) and intangible assets	2,043	670
	- Other	272	15
3.	Decreases	843	1,535
a)	Recognized in the profit or loss for the period due to positive temporary differences	843	1,535
4.	Balance of deferred income tax reserve at the end of the period, total	2,806	701
a)	Recognized in the profit or loss, including:	2,806	701
	- Valuation of receivables	0	0
	- Valuation of long-term contracts	475	0
	- Property, plant, and equipment (PPE) and intangible assets	2,050	680
	- Other	281	21
b)	Recognized in equity	0	0
c)	Recognized in goodwill	0	0

2.8. Inventories

		In thousands of PLN	
		30.06.2024	31.12.2023
a)	Materials	3,169	1,242
b)	semi-finished products and work in progress	2,941	1,634
c)	finished products	0	0
d)	Goods	0	0
e)	advances for deliveries	0	0
Total inventories		6,110	2,876
Write-downs for inventory value adjustments		2,942	2,944
Total inventories, gross		9,052	5,820

Change in inventory write-downs

		In thousands of PLN	
		01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
State at the beginning of the period		2,944	3,110
a)	increases	0	21
b)	Utilization	0	0
c)	Reversals	2	187
State of write-downs for inventory value adjustments at the end of the period, including:		2,942	2,944
Materials		2,942	2,944

The increase in inventory value as of June 30, 2024, is temporary and results from the specifics of the production cycle. In the first half of 2024, the Group did not make any adjustments to the value of inventories.

2.9. Trade and other receivables

Receivables from sales and services and other receivables

		In thousands of PLN	
		30.06.2024	31.12.2023
-	Receivables from other entities	82,469	165,492
-	Accrued expenses	1,643	1,828
Net receivables from sales and services and other receivables, total		84,112	167,320

Short-term receivables

		In thousands of PLN	
		30.06.2024	31.12.2023
a)	Receivables from other entities	82,469	165,492
	Financial receivables (IFRS 9)	74,274	159,982
-	Receivables from sales and services, with repayment period:	74,274	159,982
	up to 12 months	72,536	158,598
	over 12 months	1,738	1,384
	Financial receivables (other than IFRS 9)	8,195	5,510
-	Receivables for corporate income tax	100	100
-	Other receivables, including:	8,095	5,410
	taxes, subsidies, customs duties, social and health insurance, and other benefits	5,299	3,680
	surplus of the Social Fund (ZFŚS)	0	0
	Other	2,796	1,730
	pursued through legal action	0	0
Net short-term receivables, total		82,469	165,492
b)	Provisions for impairment of receivables	7,189	5,825
Gross short-term receivables, total		89,658	171,317

Gross short-term receivables (currency structure converted to PLN)

		In thousands of PLN	
		30.06.2024	31.12.2023
a)	In Polish currency	88,447	170,208
b)	In foreign currencies (converted to PLN)	1,211	1,109
Total short-term receivables		89,658	171,317

Change in the balance of provisions for the impairment of short-term receivables

		In thousands of PLN	
		01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
State at the beginning of period:		6,534	5,471
a)	Increases, due to:	813	894
	write-downs on receivables	813	894
b)	Decreases, due to:	158	540
	liquidation of write-offs after payment of receivables	158	77
	write-offs for uncollectible receivables	0	463
Balance of provisions for the impairment of short-term receivables at the end of the period		7,189	5,825

Receivables from deliveries and services (gross) - with a remaining repayment period from the balance sheet date

		In thousands of PLN	
		30.06.2024	31.12.2023
a)	up to 1 month	39,633	29,609
b)	over 1 month to 3 months	14,387	108,430
c)	over 3 months to 6 months	64	13,774
d)	over 6 months to 1 year	162	195
e)	over 1 year	2,546	1,741
f)	overdue receivables	23,700	11,797
Receivables from deliveries and services, total (gross)		80,492	165,546
g)	impairment losses on trade receivables	6,218	5,564
Receivables from deliveries and services, total (net)		74,274	159,982

Receivables from deliveries and services, overdue (gross) - broken down into receivables unpaid during the period

		In thousands of PLN	
		30.06.2024	31.12.2023
a)	up to 1 month	15,813	3,314
b)	over 1 month to 3 months	21	88
c)	over 3 months to 6 months	200	0
d)	over 6 months to 1 year	139	2,335
e)	over 1 year	7,527	6,060
Receivables from deliveries and services, overdue, total (gross)		23,700	11,797
f)	write-downs on trade receivables, overdue	5,463	5,283
Receivables from deliveries and services, overdue, total (net)		18,237	6,514

The increase in overdue receivables within the period of up to 1 month was due to the retention of payment by the contractor in the amount of PLN 13,712 thousand, related to ongoing acceptance procedures. The contractor made the payment for the invoice after the balance sheet date.

2.10. Assets and liabilities related to contracts

Settlement of assets from contracts in progress (IFRS 15)

	In thousands of PLN	
	30.06.2024	31.12.2023
Services in progress at the end of the previous period	21,612	57,649
Services in progress as of the date of control acquisition	0	0
Services in progress at the end of the current period	72,666	21,612
Impact on revenues for the current reporting period	51,054	-36,037
Capitalized costs related to contracts in progress at the end of the previous period	34,427	53,446
Capitalized costs related to contracts in progress as of the date of control acquisition	0	0
Capitalized costs related to contracts in progress at the end of the current period	69,776	34,427
Impact on costs for the current reporting period	35,349	-19,019
Impact on financial result net	15,705	-17,018

Assets related to the contract pertain to estimated revenues from construction and assembly contracts as of June 30, 2024.

Additional information regarding contracts in progress (IFRS 15)

	In thousands of PLN	
	30.06.2024	31.12.2023
Estimated amount of receivables from contracts in progress	72,666	21,612
Estimated amount of payables from contracts in progress	69,776	34,427
Amount of retained deposits and guarantees related to performed work	3,163	3,254
Amount of advances received for the execution of deliveries and services	22	4,721

2.11. Cash and cash equivalents

	In thousands of PLN	
	30.06.2024	31.12.2023
Cash and cash equivalents	13,194	33,160
- Cash on hand and in bank accounts	13,194	33,160
- Other cash equivalents	0	0
- Other monetary assets	0	0
Short-term financial assets, total	13,194	33,160

The decrease in the Group's cash position is a result of financial engagement in ongoing projects, while simultaneously ensuring the optimization of the financing structure. The seasonality of the production cycle in the Group is characterized by lower cash levels during the analyzed period.

2.12. Assets held for sale

	In thousands of PLN	
	01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
a) Value at the beginning of the period	11,909	28,999
b) Increases, due to reclassification to assets held for sale	0	0
c) Decreases, due to:	11,909	17,090
Sale	11,909	0
asset revaluation	0	17,090
Assets held for sale at the end of the period	0	11,909

Assets held for sale at the end of 2023 related to the subsidiary ZEUS S.A., whose shares were fully sold by the parent company in the first quarter of 2024.

The data in the table below presents the assets and liabilities of ZEUS S.A. as of the date of loss of control.

Assets reclassified as held for sale		In thousands of PLN "Date of loss of control"
I.	Non-current assets	1,751
-	Tangible fixed assets	1,751
II.	Current assets	8,618
-	Trade and other receivables	8,611
-	Contract assets	0
-	Cash and cash equivalents	7
Total assets		10,369

Liabilities reclassified to liabilities related to assets held for sale		In thousands of PLN "Date of loss of control"
II.	Liabilities and provisions for liabilities	31,019
2.	Short-term liabilities	13,029
-	Short-term provisions	6,202
-	Trade and other payables	24,817
Total liabilities		31,019

Result on the loss of control after the sale of shares in the subsidiary ZEUS S.A.

In thousands of PLN	01.01.-30.06.2024
- Sales revenue	0*
- Net assets sold on the date of loss of control	20,650
- Non-controlling interests in ZEUS S.A.	-2,419
Result on the loss of control	18,231

* The sales revenue amounted to 1 PLN, therefore, due to rounding to the nearest thousand PLN, the presented amount is 0 thousand PLN

2.13. Equity

Share capital

Share capital (structure)	30.06.2024	30.06.2024	30.06.2024	30.06.2024	30.06.2024	30.06.2024	30.06.2024
a) nominal value per share in PLN	1	1	1	1	1	1	1
b) series/issue	A	B	C	C	C	C	D
c) type of shares	bearer	bearer	bearer	bearer	bearer	bearer	bearer
d) type of share preference	common	common	common	common	common	common	common
e) type of share rights restrictions	-	-	-	-	-	-	-
f) number of shares (in thousands)	5 206	794	91	74	111	24	3 683
g) nominal value of the series/issue (in thousands of PLN)	5 206	794	91	74	111	24	3 683
h) method of capital contribution	cash	cash	cash	cash	cash	cash	cash
i) date of registration	30-11-1998	18-10-2006	27-02-2009	16-03-2010	28-02-2011	11-04-2013	11-05-2007
j) dividend rights (from date)	01-01-1999	01-01-2006	01-01-2009	01-01-2010	01-01-2011	01-01-2013	01-01-2007
Total share capital (in thousands of PLN)							9 983

Retained earnings and net profit

	In thousands of PLN	
	30.06.2024	31.12.2023
- Other reserve capitals	65,138	49,258
- Retained earnings (loss) from previous years	-38,024	-19,560
- Net profit (loss) attributable to shareholders of the parent company	29,095	22,373
Total retained earnings	56,209	52,071

2.14. Provisions

Change in the balance of other long-term provisions (by title)

		In thousands of PLN	
		01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
a)	Balance at the beginning of the period	12,884	2,626
	reserves for warranty repairs	12,415	2,265
	reserves for employee benefits	469	361
	reserves for contractual penalties	0	0
	Other	0	0
b)	Increases, due to:	313	11,152
	reserves for warranty repairs	313	11,044
	reserves for employee benefits	0	108
	reserves for contractual penalties	0	0
	Other	0	0
c)	Decreases, due to:	0	0
	reserves for warranty repairs	0	0
	reserves for employee benefits	0	0
	reserves for contractual penalties	0	0
	Other	0	0
d)	Release, due to:	439	894
	reserves for warranty repairs	439	894
	reserves for employee benefits	0	0
	reserves for contractual penalties	0	0
	Other	0	0
e)	Balance at the end of the period	12,758	12,884
	reserves for warranty repairs	12,289	12,415
	reserves for employee benefits	469	469
	reserves for contractual penalties	0	0
	Other	0	0

Change in the balance of other short-term reserves (by title)

		w tys. PLN	
		01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
a)	Balance at the beginning of the period	19,647	17,374
	reserves for warranty repairs	1,133	960
	reserves for employee benefits	9,159	9,139
	reserves for contractual penalties	9,225	7,274
	Other	130	1
b)	Increases, due to:	4,423	11,403
	reserves for warranty repairs	364	468
	reserves for employee benefits	3,760	8,705
	reserves for contractual penalties	299	2,101
	Other	0	129
c)	Decreases, due to:	0	544
	reserves for warranty repairs	0	35
	reserves for employee benefits	0	509
	reserves for contractual penalties	0	0
	Other	0	0
d)	Release, due to:	12,913	8,586
	reserves for warranty repairs	73	260
	reserves for employee benefits	8,371	8,176
	reserves for contractual penalties	4,340	150
	Other	129	0
e)	Balance at the end of the period	11,157	19,647
	reserves for warranty repairs	1,424	1,133
	reserves for employee benefits	4,548	9,159
	reserves for contractual penalties	5,184	9,225
	Other	1	130

2.15. Trade and other payables

In thousands of PLN		
	30.06.2024	31.12.2023
Financial liabilities (IFRS 9)	37,921	68,857
- Payables for goods and services	37,750	68,472
- Payables for the purchase of fixed assets	171	385
Financial liabilities (excluding IFRS 9)	28,458	24,341
- Taxes, customs, insurance, and other benefits payable	1,698	21,302
- On account of salaries	1,710	2,865
- Other	25,050	174
- Short-term accrued expenses	0	0
Total trade and other payables	66,379	93,198

Trade payables (gross) – before maturity and overdue

In thousands of PLN		
	30.06.2024	31.12.2023
a) Liabilities before maturity	36,746	63,932
b) Overdue liabilities	1,004	4,540
Up to 1 month	992	4,205
Over 1 month to 3 months	12	305
Over 3 months to 6 months	0	13
Over 6 months to 1 year	0	13
Over 1 year	0	4
Trade payables, total (gross)	37,750	68,472

2.16. Lease liabilities

In thousands of PLN		
	30.06.2024	31.12.2023
a) Short-term liabilities	3,127	3,150
b) Long-term liabilities	10,084	2,840
Liabilities under lease, rental, and other similar agreements, total	13,211	5,990

The outstanding future minimum lease payments as of the balance sheet date are as follows:

	Lease payments due in the period:				In thousands of PLN
	Up to 1 year	From 1 year to 3 years	From 3 to 5 years	Over 5 years	total
As of 30.06.2024					
Lease payments	4,300	6,721	3,606	1,191	15,818
Financial costs (-)	1,173	1,147	266	21	2,607
Present value	3,127	5,574	3,340	1,170	13,211
As of 31.12.2023					
Lease payments	3,788	2,892	412	0	7,092
Financial costs (-)	638	440	24	0	1,102
Present value	3,150	2,452	388	0	5,990

Additional information regarding leasing (IFRS 16)

		In thousands of PLN	
		01.01.2024-30.06.2024	01.01.2023-31.12.2023
a)	Interest on leasing	550	838
b)	Cost of short-term leases and low-value asset leases	123	289
c)	Value of lease payments (capital repayment)	1,582	2,990
Total		2,255	4,117

The Group does not recognize liabilities for short-term leases and leases for which the underlying asset has a low value. Furthermore, contingent lease payments dependent on factors other than an index or rate are not included in the value of lease liabilities.

2.17. Other operating income and expenses**Other operating income**

	In thousands of PLN	
	01.01.-30.06.2024	01.01.-30.06.2023
- Profit from the sale of non-financial fixed assets	791	84
- Grants	0	0
- Other operating income	7,179	796
Total other operating income	7,970	880

The value of PLN 7,179 thousand reported under "Other operating income" mainly consists of income from the reversal of provisions for contractual penalties due to an agreement with a contractor, compensation received by the Group, and items related to the deconsolidation of ZEUS S.A.

Other operating expenses

	In thousands of PLN	
	01.01.-30.06.2024	01.01.-30.06.2023
- Loss on disposal of non-financial fixed assets	0	0
- Impairment of non-financial assets	709	265
- Other operating expenses	1,317	1,990

Total other operating expenses	2,026	2,255
---------------------------------------	--------------	--------------

Other operating costs

	01.01.-30.06.2024	In thousands of PLN 01.01.-30.06.2023
a) Created reserves, including:	304	1,617
Other, including expected losses on contracts	304	1,617
b) Other, including:	1,013	373
Written-off receivables	7	0
Costs of resold services	148	41
Damages from transportation incidents	79	11
Legal costs	112	20
Donations	7	5
Contractual penalties and compensation	495	275
Other costs	165	21
Total other operating expenses	1,317	1,990

Profit (loss) from expected credit losses

	01.01.-30.06.2024	In thousands of PLN 01.01.-30.06.2023
- reversal of impairment allowances for receivables	158	48
- creation of impairment allowance for receivables	-813	-86
- reversal of impairment allowance for loans	386	0
Profit (loss) from expected credit losses, total	-269	-38

2.18. Financial income and expenses**Financial income**

	01.01.-30.06.2024	In thousands of PLN 01.01.-30.06.2023
- dividends and profit shares	0	0
- Interest	494	1,067
- gain on sale of investments	0	0
- investment value adjustment	422	0
- Other	0	322
Total financial income	916	1,389

Financial costs

	In thousands of PLN	
	01.01.-30.06.2024	01.01.-30.06.2023
- Interest	1,459	1,070
- loss on sale of investments	6	0
- investment value adjustment	34	0
- Other	2,630	559
total financial costs	4,129	1,629

The amount of 2,630 thousand PLN reported in the “other” category mainly relates to the settlement of the deconsolidation of ZEUS S.A. and the discount on long-term receivables.

2.19. Profit (loss) on the sale of shares in subsidiaries

In the first quarter of 2024, the subsidiary ZEUS S.A. was sold. the profit from the loss of control amounted to 18,231 thousand PLN, and the calculation method is described in note 2.12.

2.20. Impairment of goodwill of subsidiaries

On December 31, 2023, the Management Board of ELEKTROTIM S.A. conducted impairment tests on cash-generating units to which goodwill was assigned by comparing the carrying amount of the unit, including goodwill, with its recoverable amount, based on the following assumptions: forecast period for cash flows—5 years, growth rate after the forecast period—3%, discount rate—11%. It was determined that there was no impairment of the unit and the corresponding goodwill. Therefore, no impairment charge was recognized.

As of June 30, 2024, there were no indications of potential impairment of the carrying amounts of cash-generating units to which goodwill was assigned, compared to December 31, 2023. Therefore, no impairment charges were recognized in the first half of the year.

The sale of the subsidiary ZEUS S.A. in the first quarter of 2024 had no impact on goodwill, as the lack of goodwill assigned to the company results from the complete write-off of its value in previous reporting periods.

2.21. Information on financial instruments

In the period covered by the interim condensed consolidated financial statements, the Group utilized deposits securing collateral for periods longer than 12 months.

	In thousands of PLN	
	30.06.2024	31.12.2023
a) Deposits and collateral securing for periods longer than 12 months	1,461	1,328
b) Loans granted	0	0

Interest income

	01.01.2024- 30.06.2024	In thousands of PLN 01.01.2023- 31.12.2023
a) interest income from granted loans	141	0

Liabilities due to loans

	30.06.2024	In thousands of PLN 31.12.2023
a) long-term credits	0	0
b) short-term credits	4,191	61

As of June 30, 2024, the parent company had liabilities due to a current account credit amounting to PLN 4,191 thousand, which was a result of the current financial engagement in the production cycle.

Derivative instruments

The Group uses derivative instruments to hedge future foreign currency payments arising from concluded contracts.

Summary of forward hedge transactions as of June 30, 2024

No.	Type of derivative instrument	Contract date	Transaction value in EUR/USD	Currency	Forward rate	Settlement date	Execution value in PLN	Transaction party	Profit/loss in PLN
1.	Forward 11376913 purchase	10-04-2024	300,000.00	EUR	4.2891	12-07-2024	1,286,730.00	mBank S.A.	7,401.48
2.	Forward 11384435 purchase	12-04-2024	100,000.00	USD	4.0259	16-08-2024	402,590.00	mBank S.A.	451.34
3.	Forward 11486545 purchase	23-05-2024	1,500,000.00	USD	4.0217	30-08-2024	6,032,550.00	mBank S.A.	14,038.36
4.	Forward 11259601 sale	26-02-2024	200,000.00	EUR	4.3534	30-08-2024	870,680.00	mBank S.A.	5,333.54
5.	Forward 11519139 purchase	05-06-2024	250,000.00	USD	3.9622	13-09-2024	990,550.00	mBank S.A.	17,224.27
6.	Forward 11498023 purchase	28-05-2024	100,000.00	USD	3.9174	13-09-2024	391,740.00	mBank S.A.	11,315.97
7.	Forward 11259606 sale	26-02-2024	300,000.00	EUR	4.3564	13-09-2024	1,306,920.00	mBank S.A.	7,745.62
8.	Forward 11524186 purchase	07-06-2024	200,000.00	USD	3.9431	27-09-2024	788,620.00	mBank S.A.	17,673.67
9.	Forward 11519173 purchase	05-06-2024	200,000.00	USD	3.9641	27-09-2024	792,820.00	mBank S.A.	13,533.64
10.	Forward 11463240 purchase	14-05-2024	500,000.00	USD	3.9590	27-09-2024	1,979,500.00	mBank S.A.	36,347.68

11.	Forward 11471951 purchase	17-05-2024	150,000.00	USD	3.9331	16-10-2024	589,965.00	mBank S.A.	14,858.73
12.	Forward 11491138 purchase	24-05-2024	200,000.00	USD	3.9400	18-10-2024	788,000.00	mBank S.A.	18,474.06
13.	Forward 11558597 purchase	19-06-2024	200,000.00	USD	4.0358	29-10-2024	807,160.00	mBank S.A.	-211.13
14.	Forward 11481249 purchase	21-05-2024	300,000.00	USD	3.9252	29-10-2024	1,177,560.00	mBank S.A.	32,216.20
15.	Forward 11569496 purchase	25-06-2024	250,000.00	USD	4.0104	18-11-2024	1,002,600.00	mBank S.A.	6,264.67
16.	Forward 1635870 purchase	12-04-2024	1,000,000.00	USD	4.0255	15-07-2024	4,025,500.00	Bank Millennium S.A.	6,743.03
17.	Forward 1635871 purchase	12-04-2024	400,000.00	USD	4.0270	16-08-2024	1,610,800.00	Bank Millennium S.A.	2,362.88
18.	Forward 879055 purchase	21-05-2024	1,000,000.00	USD	3.9299	30-09-2024	3,929,900.00	ING Bank Śląski S.A.	104,816.54
19.	Forward 879057 purchase	21-05-2024	1,000,000.00	USD	3.9325	30-10-2024	3,932,500.00	ING Bank Śląski S.A.	104,835.56

Reclassification of financial assets

During the period covered by the condensed interim consolidated financial statements, no reclassification of financial assets was carried out.

Financial risk management

Financial risks include risks related to changes in exchange rates, changes in interest rates, loss or decrease in financial liquidity, and credit risk. Companies within the ELEKTROTIM Capital Group are exposed to the aforementioned risks to a moderate extent.

Currency risk management

In the Capital Group, there is currency risk. The Group is primarily exposed to risks associated with EUR/PLN and USD/PLN exchange rates. The source of transactional exposure to currency risk arises from contracts related to the supply of materials and raw materials, resulting in cash flows whose value in the base currency depends on future levels of foreign exchange rates. The Group aims to purchase foreign currencies on terms not worse than those assumed in the implementation budgets and to balance the value of assets and liabilities expressed in a given currency. Exposure to currency risk changes throughout the year, depending on the volume of transactions conducted in that currency and the value of currencies accumulated for payments. There is a risk that, despite the use of hedging mechanisms (e.g., forward transactions), the cost of materials and equipment purchased in foreign currency, when converted to the domestic currency, will be higher than assumed in the budget, which may lead to increased costs and a reduction in the originally planned margin.

Assets and financial liabilities of the Group, other than derivative instruments denominated in foreign currencies, converted to PLN at the closing exchange rate applicable on the balance sheet date:

	Value expressed in currency (in thousands):					Value after conversion (thousands PLN)
	EUR	USD	GBP	CHF	other	
	As of 30.06.2024					
Financial assets (+):						
Loans	0	0	0	0	0	0
Trade receivables and other financial receivables	281	0	0	0	0	1,211
Other financial assets	0	0	0	0	0	0
Cash and cash equivalents	1,559	341	3	0	1	8,115
Financial liabilities (-):						
Loans, credits, other debt instruments	0	0	0	0	0	0
Lease liabilities	0	0	0	0	0	0
Trade payables and other financial liabilities	1,071	34	0	0	0	4,756
Exposure to currency risk in total	2,911	375	3	0	1	14,082

As of 31.12.2023						
Financial assets (+):						
Loans	0	0	0	0	0	0
Trade receivables and other financial receivables	209	47	0	0	0	1,109
Other financial assets	0	0	0	0	0	0
Cash and cash equivalents	283	54	3	0	1	1,457
Financial liabilities (-):						
Loans, credits, other debt instruments	0	0	0	0	0	0
Lease liabilities	0	0	0	0	0	0
Trade payables and other financial liabilities	395	0	0	0	0	1,742
Exposure to currency risk in total	887	101	3	0	1	4,308

	Value expressed in currency (in thousands):					Value after conversion (thousands PLN)
	EUR	USD	GBP	CHF	other	
As of 30.06.2024						
Derivative financial instruments	800	7,350	0	0	0	32,706
Exposure to currency risk in total	800	7,350	0	0	0	32,706
As of 31.12.2023						
Derivative financial instruments	0	0	0	0	0	0
Exposure to currency risk in total	0	0	0	0	0	0

Below is an analysis of the sensitivity of the financial result and equity concerning the Group's financial assets and liabilities, as well as fluctuations in the EUR to PLN and USD to PLN exchange rates.

The sensitivity analysis assumes an increase or decrease in the EUR/PLN and USD/PLN exchange rates by 5% relative to the closing rate on the balance sheet date, i.e., June 30, 2024.

		Impact on the exchange rate – the balance sheet date, 30.06.2024					
	Exchange rate fluctuations	Impact on financial result:			Impact on equity:		
		EUR	USD	total	EUR	USD	total
As of 30.06.2024							
Increase in the exchange rate	5%	801	1,538	2,339	801	1,538	2,339
Decrease in the exchange rate	-5%	-801	-1,538	-2,339	-801	-1,538	-2,339
As of 31.12.2023							
Increase in the exchange rate	5%	195	20	215	195	20	215
Decrease in the exchange rate	-5%	-195	-20	-215	-195	-20	-215

Interest rate risk management

Interest rate risk primarily arises from the companies in the Group using bank loans, borrowings, and leasing services, which are interest-rated at variable rates. The Group manages these risks by maintaining appropriate monitoring of its debt levels. Interest rate risk management focuses on optimizing the level of debt while utilizing trade credit within market conditions and considering financial costs in management calculations related to contract financing and realized margins.

Credit risk management

The specific nature of construction activities exposes the Group to a concentration of credit risk. The nature of the projects undertaken often requires a significant commitment of working capital due to their relatively high value and long execution time. The contracts entered into by the companies in the ELEKTROTIM Capital Group also stipulate the obligation to establish guarantees for the proper and timely execution of the contract and the removal of defects and deficiencies, in the form of bank or insurance guarantees.

Additionally, the lengthening procedures for the acceptance of completed work, the obligation to settle obligations towards subcontractors within a specified timeframe, and the payment terms established after the completion of the entire contract result in significant capital engagement in current operations. In the event of a potential limitation on the availability of financing sources or termination of credit and insurance agreements, there is a risk of reduced business scale due to diminished bidding capabilities, which may consequently affect the turnover and financial results.

To minimize risk, the Group intends to: focus on short-term projects with high margins, manage collateral and guarantees rationally, increase the value of working capital, and diversify sales segments.

The Group's potential exposure to credit risk as of the balance sheet date, June 30, 2024, is determined by the carrying amount of the following financial assets and off-balance-sheet liabilities:

Exposure to credit risk	In thousands of PLN	
	30.06.2024	31.12.2023
Loans	0	0
Receivables from supplies and services and other receivables	84,112	167,320
Derivative financial instruments	0	0
Debt securities	0	0
Investment fund units	0	0
Other classes of other financial assets	0	0
Cash and cash equivalents	13,194	33,160
Contingent liabilities	259	259
Assets from contracts	72,686	21,632

Credit risk is mainly associated with the Group's receivables from customers and financial investments. The main customers of the Group are commercial companies, including companies with state ownership. The credit risk is minimized by a trade receivables insurance agreement concluded by the parent company with Atradius Credit Insurance NV S.A. Branch in Poland.

To limit credit risk on receivables, the Group implements a strict policy regarding the selection of contractors and the granting of credit limits. The Group continuously monitors customer and creditor arrears in payment, analyzing credit risk. In the opinion of the Management Board of the parent company, the aforementioned financial assets that are not overdue and not subject to impairment for individual reporting dates can be considered as assets with good credit quality.

The exposure to credit risk concerning overdue payments and the age structure of overdue receivables not subject to impairment is presented in the table below.

Trade receivables gross as of 30.06.2024

	In thousands of PLN		
	Provisions for receivables	Receivables	Provisions as %
a) not overdue	808	56,792	1.42%
b) overdue up to 1 month	0	15,813	0.00%
c) overdue from 1 month to 3 months	0	21	0.00%
d) overdue from 3 months to 6 months	200	200	100.00%
e) overdue from 6 months to 1 year	139	139	100.00%
f) overdue over 1 year	5,071	7,527	67.37%
Total	6,218	80,492	7.72%
g) allowances for the impairment of receivables from sales and services	6,218	6,218	
Total	0	74,274	

The analysis of total receivables in the aging structure presented in note 2.9 indicates that most receivables fall into two aging categories: those with a payment term of up to 1 month (49%) and those between 1 month and 3 months (18%) in the first half of 2024. Receivables due within one month and between one and three months do not pose a credit risk due to the fact that they are receivables within the payment term. Their collection is continuously monitored by the collection department and the Financial Risk Committee to implement

appropriate safeguarding procedures, such as requesting guarantees or making payment requests to reliable investors when Group companies work for a general contractor.

The next significant group of receivables consists of overdue receivables, which account for 29% of gross receivables. Among these, the largest category is overdue receivables up to 1 month, which make up nearly 20% of total gross receivables.

Analyzing the historical data on overdue payments and ultimately lost receivables, the Group concluded that a significant increase in credit risk occurs after 90 days of delay in relation to the original payment deadline, which leads to non-fulfillment of obligations by the contractor. In such cases, regardless of the risk of future estimates, the Group applies a 100% write-off to these receivables.

With regard to receivables from sales and services, the exposure to credit risk associated with a single significant contractor or a group of contractors with similar characteristics is subject to individual analysis on the balance sheet date. Based on historically developing trends in payment delays, overdue receivables not subject to write-offs do not show a significant deterioration in quality.

The credit risk associated with cash and cash equivalents, marketable securities, and derivative financial instruments is considered insignificant due to the high reliability of the entities involved in the transactions. Cash and cash equivalents are placed in financial institutions with high financial credibility, primarily consisting of banks.

For the loans granted, the Group considers that they carry low credit risk, provided they are not overdue at the assessment date and the borrower has confirmed the receivable balance.

The carrying amount of financial assets reported in the consolidated financial statements, after considering impairment losses, corresponds to the Group's maximum exposure to credit risk.

The parent company has not conducted negotiations or made arrangements resulting from a significant increase in credit risk, nor any changes in payment terms or other modifications affecting the expected cash flows from the receivables and assets under the agreement.

Liquidity risk management

The ELEKTROTIM Capital Group is exposed to temporary disruptions or, ultimately, the loss of the ability to settle liabilities on time. This may be caused by sudden changes in market conditions, the payment terms of contracts (payment upon project completion), late fulfillment of obligations by customers towards the Group, customer bankruptcies, and limited availability of financing sources.

To effectively manage the risk of liquidity loss, the Group optimizes its funding sources by utilizing various options such as bank loans, factoring, and internal sources, appropriately adjusting the maturity terms of each to ensure maximum efficiency of cash flows.

Liabilities from supplies and services and leasing (gross) - before the due date and overdue

	30.06.2024	In thousands of PLN 31.12.2023
Liabilities from supplies and services, total (gross):	37,750	68,472
a) Liabilities before the due date	36,746	63,932
b) Overdue liabilities	1,004	4,540
Up to 1 month	992	4,205
Over 1 month to 3 months	12	305
Over 3 months to 6 months	0	13
Over 6 months to 1 year	0	13
Over 1 year	0	4
Liabilities from leasing and rental rights, total (gross):	13,211	5,990
a) Liabilities before the due date	13,211	5,990
b) Overdue liabilities	0	0
Liabilities from supplies and services and leasing (gross), total	50,961	74,462

2.22. Information on off-balance sheet items, in particular contingent liabilities

Contingent liabilities are understood as possible obligations arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more future events that are not entirely within the control of the entity.

Lines of credit held by the Group and their utilization

As of June 30, 2024, the parent company has a total limit for performance bonds, execution guarantees, warranty and guarantee periods, as well as advances amounting to PLN 291,400 thousand and EUR 6,000 thousand. As of June 30, 2024, the utilization stands at PLN 82,042 thousand and EUR 800 thousand.

At the request of ELEKTROTIM, the bank issued a performance guarantee for the contract up to the amount of PLN 259 thousand for ZEUS S.A., whose beneficiary is a commercial company. The guarantee is valid until February 15, 2025.

2.23. Method of calculating book value per share and diluted book value per share

Book value per share is the quotient of the book value, which is the difference between the total assets and the company's liabilities, and the number of shares.

Diluted book value per share is the quotient of the book value and the number of common shares increased by the potential number of shares that the entity is committed to issue.

Detailed values of the indicator for the first half of 2024 and the year 2023 are presented in the table below.

	30.06.2024	31.12.2023
Book value (in thousand PLN)	109,624	103,170
Number of shares (in units)	9,983,009	9,983,009
Book value per share (in PLN)	10.98	10.33
Diluted number of shares (in units)	9,983,009	9,983,009
Diluted book value per share (in PLN)	10.98	10.33

2.24. Method of calculating earnings (loss) per ordinary share and diluted earnings (loss) per common share

Earnings per common share is the quotient of the net profit attributable to shareholders of the parent entity, as reported in the income statement for the given period, and the weighted average number of common shares for that period. The weighted average number of common shares is calculated as the quotient of the sum of the number of shares at the end of each month of the given period and the number of months in the period.

Diluted earnings per common share is the quotient of the net profit from the income statement for the given period and the weighted average number of shares for that period, increased by the weighted average potential number of shares that the entity is obligated to issue.

The detailed indicator values for the first half of 2024 and 2023 are presented in the table below.

	01.01.-30.06.2024	01.01.-30.06.2023
Net profit (loss) (in thousand PLN)	29,095	16,941
Weighted average number of common shares (in units)	9,983,009	9,983,009
Earnings (loss) per common share (in PLN)	2.91	1.70
Weighted average diluted number of common shares (in units)	9,983,009	9,983,009
Diluted earnings (loss) per common share (in PLN)	2.91	1.70

2.25. Information on transactions with related parties, if they are individually or collectively significant and have been concluded on terms other than market terms

Transactions with related parties were conducted on market terms, taking into account prevailing market prices and conditions.

In its procurement strategy, the Group is guided by the selection of the most favorable market price available, achieved through continuous price monitoring from multiple suppliers and selecting from the most advantageous offers.

2.26. Information on significant events that occurred after the balance sheet date

After the balance sheet date, no significant events occurred that were not reflected in the financial statements.

3. CONDENSED INTERIM STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD 01.01. – 30.06.2024

SELECTED FINANCIAL DATA IN PLN AND CONVERTED TO EUR

Condensed interim standalone financial statements for the period 01.01. – 30.06.2024 r.

SELECTED FINANCIAL DATA in PLN and converted to EUR	In thousands of PLN		In thousands of EUR	
	01.01.- 30.06.2024/ 30.06.2024	01.01.- 30.06.2023/ 31.12.2023	01.01.- 30.06.2024/ 30.06.2024	01.01.- 30.06.2023/ 31.12.2023
I. Net revenue from sales of products, goods, and materials	172,947	213,472	40,119	46,276
II. Operating profit (loss)	15,901	24,080	3,689	5,220
III. Gross profit (loss)	15,515	24,279	3,599	5,263
IV. Net profit (loss)	13,033	19,014	3,023	4,122
V. Net cash flow from operating activities	-21,436	-64,462	-4,973	-13,974
VI. Net cash flow from investing activities	-221	2,234	-51	484
VII. Net cash flow from financing activities	1,917	13,462	445	2,918
VIII. Net cash flow, total	-19,740	-48,766	-4,579	-10,571
IX. Total assets	215,206	256,128	49,897	58,907
X. Liabilities and provisions for liabilities	110,014	139,011	25,508	31,971
XI. Long-term liabilities	25,473	16,320	5,906	3,753
XII. Short-term liabilities	84,541	122,691	19,601	28,218
XIII. Equity	105,192	117,117	24,390	26,936
XIV. Share capital	9,983	9,983	2,315	2,296
XV. Number of shares (in pcs)	9,983,009	9,983,009	9,983,009	9,983,009
XVI. Earnings (loss) per common share (in PLN/EUR)	1.31	1.90	0.30	0.41
XVII. Diluted earnings (loss) per common share (in PLN/EUR)	1.31	1.90	0.30	0.41
XVIII. Book value per share (in PLN/EUR)	10.54	11.73	2.44	2.70
XIX. Diluted book value per share (in PLN/EUR)	10.54	11.73	2.44	2.70
XX. Declared or paid dividend per share (in PLN/EUR)	2.50	1.50	0.58	0.34

EUR EXCHANGE RATES USED FOR CONVERSION

	30.06.2024	30.06.2023	31.12.2023
Average exchange rate	4.3109	4.6130	4.5284
Exchange rate on the last day of the reporting period	4.3130	4.4503	4.3480

CONDENSED INTERIM INDIVIDUAL STATEMENT OF FINANCIAL POSITION

		In thousands of PLN	
Item description	note	30.06.2024	31.12.2023
I. Non-current assets		39,870	32,799
- Intangible assets	4.2.	141	158
- Goodwill	4.3.	2,396	2,396
- Tangible fixed assets	4.4.	20,096	12,793
- Investment properties	4.4.	4,890	4,890
- Investments in subsidiaries		644	644
- Other long-term financial assets	4.5.	1,461	1,328
- Deferred tax assets	4.7.	8,890	9,456
- Other long-term non-financial assets		1,352	1,134
II. Current assets		175,336	223,329
- Inventories	4.8.	6,110	2,876
- Trade and other receivables	4.9.	84,723	167,157
- Contract assets	4.10.	71,831	21,305
- Other short-term financial assets		421	0
- Cash and cash equivalents	4.11.	12,251	31,991
Current assets other than assets held for sale		175,336	223,329
Total assets		215,206	256,128

			In thousands of PLN	
	Item description	note	30.06.2024	31.12.2023
I.	Equity		105,192	117,117
-	Share capital	4.13.	9,983	9,983
-	Excess of issue price over par value of shares		44,522	44,522
-	Other reserves		-152	-152
-	Retained earnings	4.13.	37,806	22,027
-	Net profit (loss)		13,033	40,737
II.	Liabilities and provisions		110,014	139,011
1.	Long-term liabilities		25,473	16,320
-	Deferred tax liabilities	4.7.	2,760	843
-	Long-term provisions	4.14.	12,660	12,704
-	Long-term lease liabilities	4.16.	10,053	2,773
2.	Short-term liabilities		84,541	122,691
-	Short-term provisions	4.14.	10,964	19,539
-	Trade and other payables	4.15.	66,324	93,634
-	Other financial liabilities		4,191	61
-	Current income tax liabilities		0	1,689
-	Short-term lease liabilities	4.16.	3,040	3,047
-	Contract liabilities	4.10.	22	4,721
	Current liabilities other than those related to assets held for sale		84,541	122,691
	Total liabilities		215,206	256,128

CONDENSED INTERIM SEPARATE STATEMENT OF PROFIT OR LOSS

Calculation variant, in thousands of PLN	note	01.01.- 30.06.2024	01.01.- 30.06.2023
- Revenue from sales		172,947	213,472
- Cost of sales		147,425	179,297
I Gross profit (loss) from sales		25,522	34,175
- Selling expenses		5,508	4,080
- General and administrative expenses		8,040	4,158
- Other operating income	4.17.	5,508	605
- Other operating expenses	4.17.	1,312	1,888
- Profit (loss) from expected credit losses	4.17.	-269	-574
II Operating profit (loss)		15,901	24,080
- Profit (loss) from loss of control		0	0
- Financial income	4.18.	1,080	3,125
- Financial expenses	4.18.	1,466	2,926
- Impairment of goodwill of subsidiaries		0	0
III Profit (loss) before tax		15,515	24,279
- Income tax		2,482	5,265
- Net profit (loss) from continuing operations		13,033	19,014
- Profit (loss) from discontinued operations		0	0
IV Net profit (loss)		13,033	19,014

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

in thousands of PLN	01.01.- 30.06.2024	01.01.- 30.06.2023
1. Net profit (loss)	13,033	19,014
2. Other comprehensive income, including:	0	0
Not classified to profit or loss	0	0
3. Total comprehensive income	13,033	19,014

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS

Indirect method, in thousands of PLN	01.01.- 30.06.2024	01.01.- 30.06.2023
I. Cash flows from operating activities		
1. Gross profit (loss)	15,515	24,279
2. Total adjustments	-36,951	-82,135
- Depreciation	1,997	1,812
- Profit (loss) from foreign exchange differences	0	0
- Interest	114	-2,638
- Profit (loss) from investing activities	-434	1,831
- Change in provisions	-6,703	-3,425
- Change in inventory	-3,233	-7,658
- Change in receivables	32,238	-30,473
- Change in short-term liabilities, excluding loans and credits	-58,448	-41,633
- Other adjustments	-2,482	49
- Cash flows used in operating activities	-21,436	-57,856
- Income tax paid included in operating activities	0	-6,606
3. Net cash flows from operating activities	-21,436	-64,462
II. Cash flows from investing activities		
- Proceeds from the sale of tangible fixed assets, intangible assets other than goodwill, investment properties, and other fixed assets	53	44
- Interest	390	1,071
- Other investment inflows (including dividends and interest)	181	2,062
- Purchase of tangible fixed assets, intangible assets other than goodwill, investment properties, and other fixed assets	-672	-943
- Other investment expenditures	-173	0
Net cash flows from investing activities	-221	2,234

III. Cash flows from financing activities		
- Net proceeds from the issuance of shares and other equity instruments	0	0
- Loans and credits (inflows)	4,130	0
- Other financial inflows (outflows)	0	-2,500
- Purchase of own shares (equity)	0	0
- Dividends and other distributions to owners	0	0
- Repayments of loans and credits	0	18,112
- Payments of lease liabilities	-1,544	-1,667
- Interest	-669	-483
Net cash flows from financing activities	1,917	13,462
IV. Net cash flows, total		
Effects of exchange rate changes on cash and cash equivalents	0	0
Balance change in cash and cash equivalents, including:	-19,740	-48,766
Cash and cash equivalents at the beginning of the period	31,991	54,652
Cash and cash equivalents at the end of the period	12,251	5,886
with restricted cash and cash equivalents	3,728	4,291

**CONDENSED INTERIM SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD
01.01.2024 – 30.06.2024**

in thousands of PLN	Share capital	Excess of issue price over par value of shares	Other capital	Retained earnings	Total
Balance at the beginning of the period	9,983	44,522	-152	62,764	117,117
Profit for the period	0	0	0	13,033	13,033
Other comprehensive income for the period	0	0	0	0	0
Total comprehensive income	0	0	0	13,033	13,033
Dividend	0	0	0	-24,958	-24,958
Other increases (decreases)	0	0	0	0	0
Increase (decrease) in capital	0	0	0	-11,925	-11,925
Balance at the end of the period	9,983	44,522	-152	50,839	105,192

**CONDENSED INTERIM SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD
01.01.2023 – 30.06.2023**

in thousands of PLN	Share capital	Excess of issue price over par value of shares	Other capital	Retained earnings	Total
Balance at the beginning of the period	9,983	44,522	-10	37,002	91,497
Profit for the period	0	0	0	19,014	19,014
Other comprehensive income for the period	0	0	0	0	0
Total comprehensive income	0	0	0	19,014	19,014
Dividend	0	0	0	-14,975	-14,975
Other increases (decreases)	0	0	0	0	0
Increase (decrease) in capital	0	0	0	4,039	4,039
Balance at the end of the period	9,983	44,522	-10	41,041	95,536

4. ADDITIONAL INFORMATION TO THE CONDENSED INTERIM STANDALONE FINANCIAL STATEMENT

4.1. Information on operating segments

Products and services from which the reporting segments generate their revenues

The company ELEKTROTIM offers its products in the construction and assembly market for both public and non-public clients.

The reporting segments identified within the company represent an aggregation of its organizational structure, where the operational part has been divided into separately managed business units (plants) grouped into divisions. The criterion for distinguishing individual plants, as well as divisions, was based on product groups and territorial distribution.

After completing the review of strategic options for subsidiaries, divestments, and changes in organizational structure, a re-segment analysis was conducted. As a result, in order to present information in a way that allows for a proper assessment of the nature and financial effects of the economic activities carried out by the Company, the operational segments were divided according to the markets served by the divisions into:

- | | | |
|----------------------|---|---|
| • Industry | – | Infrastructure for industrial plants, |
| • Energy | – | Energy generation, energy transmission, energy distribution, |
| • Governments | – | Road infrastructure, urban infrastructure, traffic engineering, municipal infrastructure, |
| • Defense ministries | – | Military, security services, border protection, airports, |
| • Traction | – | Power supply infrastructure for railway traction. |

These segments collectively fulfill the following principles:

- a) The division has been made in accordance with the overarching principle of IFRS 8: "the presentation of information in a way that enables users of the financial statements to assess the nature and financial effects of the economic activities in which the entity is engaged and the economic environment in which it operates."
- b) The segments exhibit similar economic characteristics
- c) The segments are similar in:
 - The type of products and services
 - The type of production processes
 - The type or groups of customers for specific products and services
 - The methods used for distributing products or providing services.

The measurement principles applied to segment information are consistent with the principles arising from the Company's accounting policy, and their assessment is based on sales revenue and gross profit (loss) from sales. Comparative data have been adjusted.

Product groups offered within operational segments:

- Power stations
- Security systems
- Airport systems
- Traction power supply
- Electrical installations
- High voltage lines
- Signaling and lighting
- Traffic engineering
- Municipal networks
- Electrical networks
- Production of switchgears
- Service
- Projects.

Revenues and results of segments

Below is an analysis of the Company's revenues and results in the individual segments covered by the reporting:

	Segments of operations	Revenues from sales to external customers	Revenues within and from other segments	Cost of goods sold	Gross profit (loss) from external sales
01.01-30.06.2024	Industry	39,141	2,110	32,967	8,284
	Energy	53,849	-	47,910	5,939
	Governments	34,956	884	31,582	4,257
	Defense ministries	32,107	14	26,149	5,973
	Traction	12,894	-	11,825	1,069
01.01-30.06.2023	Industry	28,421	5,566	30,095	3,892
	Energy	85,318	-	71,415	13,903
	Governments	25,928	140	21,395	4,672
	Defense ministries	58,495	19	48,699	9,814
	Traction	15,311	-	13,417	1,894

Segment assets

The company does not analyze the assets and liabilities of the segment in the reports used by the Management of ELEKTROTIM for operational and analytical purposes, as there is no allocation of assets and liabilities to the segment.

Geographical information

The company operates in only one geographical area—within Poland.

4.2. Intangible assets

Intangible assets

Item description	In thousands of PLN	
	30.06.2024	31.12.2023
Completed development works	0	0
Acquired concessions, patents, licenses, and similar assets	0	0
Other intangible assets	141	158
Intangible assets, total	141	158

Changes in intangible assets (by type) for the period 01.01.2024 - 30.06.2024

In thousands of PLN	Development costs	Concessions, patents, licenses, and similar values	Other intangible assets	Total intangible assets
Gross value of intangible assets at the beginning of the period	9	0	5,078	5,087
Increases due to:	0	0	16	16
- Purchase	0	0	16	16
- Acquisitions of subsidiaries	0	0	0	0
Decreases due to:	0	0	0	0
- Sale	0	0	0	0
- Liquidation	0	0	0	0
Gross value of intangible assets at the end of the period	9	0	5,094	5,103
Accumulated depreciation (remission) at the beginning of the period	9	0	4,920	4,929
Depreciation for the period, due to:	0	0	33	33
- Scheduled write-offs	0	0	33	33
- Acquisitions of subsidiaries	0	0	0	0
- Decreases	0	0	0	0
Accumulated depreciation (remission) at the end of the period	9	0	4,953	4,962
Impairment losses at the beginning of the period	0	0	0	0
- increases	0	0	0	0
- decreases	0	0	0	0
Impairment losses at the end of the period	0	0	0	0
Net value of intangible assets at the end of the period	0	0	141	141

Changes in intangible assets (by type) for the period 01.01.2023 - 31.12.2023

In thousands of PLN	Development costs	Concessions, patents, licenses, and similar values	Other intangible assets	Total intangible assets
Gross value of intangible assets at the beginning of the period	9	0	4,894	4,903
Increases due to:	0	0	184	184
- Purchase	0	0	184	184
- Acquisitions of subsidiaries	0	0	0	0
Decreases due to:	0	0	0	0
- Sale	0	0	0	0
- Liquidation	0	0	0	0
Gross value of intangible assets at the end of the period	9	0	5,078	5,087
Accumulated depreciation (remission) at the beginning of the period	9	0	4,789	4,798
Depreciation for the period, due to:	0	0	131	131
- Scheduled write-offs	0	0	131	131
- Acquisitions of subsidiaries	0	0	0	0
- Decreases	0	0	0	0
Accumulated depreciation (remission) at the end of the period	9	0	4,920	4,929
Impairment losses at the beginning of the period	0	0	0	0
- increases	0	0	0	0
- decreases	0	0	0	0
Impairment losses at the end of the period	0	0	0	0
Net value of intangible assets at the end of the period	0	0	158	158

Intangible assets (ownership structure)

	In thousands of PLN	
	30.06.2024	31.12.2023
- Owned	141	158
- used under a rental, lease or other agreement, including a lease agreement	0	0
Total intangible assets	141	158

4.3. Goodwill

	In thousands of PLN	
	30.06.2024	31.12.2023
- Cash-generating units	2,396	2,396
Goodwill, total	2,396	2,396
Impairment losses	0	0
Carrying amount, total	2,396	2,396

Change in goodwill

	In thousands of PLN	
	01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
Balance at the beginning of the period	2,396	2,396
- increases	0	0
- decreases	0	0
Balance at the end of the period	2,396	2,396

As of December 31, 2023, impairment tests were conducted on the financial assets of cash-generating units (Zakład Stacji Elektroenergetycznych, Zakład Sieci Gliwice and Zakład Systemów Lotniskowych) as well as the shares of the subsidiary. The impairment test indicated no need to record an impairment charge for goodwill. This test was performed based on a 5-year forecast period for cash flows, with a discount rate of 11% and a growth rate of 3% after the forecast period.

As of June 30, 2024, there were no indications of potential impairment of the carrying amount of goodwill; therefore, no impairment charge was recognized in the first half of 2024.

4.4. Tangible fixed assets

	In thousands of PLN	
	30.06.2024	31.12.2023
a) Fixed assets, including:	19,477	12,265
- Land	869	869
- Buildings, premises, and civil engineering and hydraulic structures	11,379	4,512
- Technical equipment and machines	2,130	2,028
- Means of transport	4,926	4,682
- Other fixed assets	173	174
b) Fixed assets under construction	619	528
Total tangible fixed assets	20,096	12,793

Balance sheet fixed assets (ownership structure)

	In thousands of PLN	
	30.06.2024	31.12.2023
- Owned	6,181	6,030
- assets used under lease, rental, or other agreements, including leasing agreements	13,915	6,763
Total balance sheet fixed assets	20,096	12,793

Changes in fixed assets (by type) for the period 01.01.2024 - 30.06.2024

In thousands of PLN	land	buildings, premises, and civil engineering structures	technical devices and machinery	means of transport	other fixed assets	total fixed assets
Gross value of fixed assets at the beginning of the period	869	10,356	9,267	13,432	2,004	35,928
Increases due to:	0	7,760	371	1,012	32	9,175
- Purchase/modification of contract	0	7,760	371	1,012	32	9,175
- Acquisition of subsidiary	0	0	0	0	0	0
Decreases due to:	0	0	10	431	0	441
- Sale and liquidation	0	0	10	431	0	441
Gross value of fixed assets at the end of the period	869	18,116	9,628	14,013	2,036	44,662
Accumulated depreciation (remission) at the beginning of the period	0	5,844	7,239	8,750	1,830	23,663
Depreciation for the period due to:	0	893	259	337	33	1,522
- Planned write-offs	0	893	269	768	33	1,963
- Acquisition of subsidiary	0	0	0	0	0	0
- Sale and liquidation	0	0	10	431	0	441
Accumulated depreciation (remission) at the end of the period	0	6,737	7,498	9,087	1,863	25,185
Impairment losses at the beginning of the period	0	0	0	0	0	0
- Increases	0	0	0	0	0	0
- Decreases	0	0	0	0	0	0
Impairment losses at the end of the period	0	0	0	0	0	0
Net value of fixed assets at the end of the period	869	11,379	2,130	4,926	173	19,477

Changes in fixed assets (by type) for the period 01.01.2023 - 31.12.2023

In thousands of PLN	land	buildings, premises, and civil engineering structures	technical devices and machinery	means of transport	other fixed assets	total fixed assets
Gross value of fixed assets at the beginning of the period	869	9 425	8 743	11 980	1 906	32 923
Increases due to:	0	931	788	2 137	125	3 981
- Purchase/modification of contract	0	931	788	2 137	125	3 981
- Acquisition of subsidiary	0	0	0	0	0	0
Decreases due to:	0	0	264	685	27	976
- Sale and liquidation	0	0	264	685	27	976
Gross value of fixed assets at the end of the period	869	10 356	9 267	13 432	2 004	35 928
Accumulated depreciation (remission) at the beginning of the period	0	4 272	6 993	8 094	1 763	21 122
Depreciation for the period due to:	0	1 572	246	656	67	2 541
- Planned write-offs	0	1 572	508	1 341	94	3 515
- Acquisition of subsidiary	0	0	0	0	0	0
- Sale and liquidation	0	0	262	685	27	974
Accumulated depreciation (remission) at the end of the period	0	5 844	7 239	8 750	1 830	23 663
Impairment losses at the beginning of the period	0	0	0	0	0	0
- Increases	0	0	0	0	0	0
- Decreases	0	0	0	0	0	0
Impairment losses at the end of the period	0	0	0	0	0	0
Net value of fixed assets at the end of the period	869	4 512	2 028	4 682	174	12 265

Leasing

The value of assets arising from the right of use has been presented in the condensed interim standalone (individual) statement of financial position together with the fixed assets owned by the Company.

The values of the right of use, in accordance with IFRS 16, have been presented in the table "Changes in assets from the right of use."

The significant increase in the value of the group "buildings, premises, and civil engineering structures" is due to the signing of an Annex to the lease agreement for the Company's headquarters on March 27, 2024. According to the agreed terms, the lease period is extended until February 28, 2030. The impact of this modification on the value of fixed assets amounts to 7,709 thousand PLN and corresponds to the change in the value of long-term lease liabilities.

Changes in assets due to right of use (by category) for the period 01.01.2024 – 30.06.2024

In thousands of PLN	land	buildings, premises, and civil engineering structures	technical devices and machinery	means of transport	other fixed assets	total fixed assets
Gross value at the Beginning of the Period	0	7,430	643	6,292	0	14,365
Increases, due to:	0	7,760	0	978	0	8,738
- Conclusion of a lease agreement	0	0	0	978	0	978
- Changes resulting from contract modifications	0	7,760	0	0	0	7,760
Decreases, due to:	0	0	0	340	0	340
- Termination of the lease agreement	0	0	0	119	0	119
- Changes in profile/redemption	0	0	0	221	0	221
Value at the end of the period	0	15,190	643	6,930	0	22,763
Accumulated depreciation (remission) at the beginning of the period	0	5,068	101	2,433	0	7,602
Amortization for the period, due to:	0	852	36	358	0	1,246
- Planned write-offs	0	852	36	576	0	1,464
- Amortization of terminated leases/returns	0	0	0	0	0	0
- Changes in profile/redemption	0	0	0	218	0	218
Accumulated depreciation (remission) at the end of the period	0	5,920	137	2,791	0	8,848
Write-Offs due to permanent impairment at the beginning of the period	0	0	0	0	0	0
- Increases	0	0	0	0	0	0
- Decreases	0	0	0	0	0	0
Write-Offs due to permanent impairment at the end of the period	0	0	0	0	0	0
Net value at the end of the period	0	9,270	506	4,139	0	13,915

Changes in assets due to right of use (by category) for the period 01.01.2023 - 31.12.2023

In thousands of PLN	land	buildings, premises, and civil engineering structures	technical devices and machinery	means of transport	other fixed assets	total fixed assets
Gross value at the Beginning of the Period	0	6,523	643	4,915	0	12,081
Increases, due to:	0	907	0	1,796	0	2,703
- Conclusion of a lease agreement	0	0	0	1,796	0	1,796
- Changes resulting from contract modifications	0	907	0	0	0	907
Decreases, due to:	0	0	0	419	0	419
- Termination of the lease agreement	0	0	0	142	0	142
- Changes in profile/redemption	0	0	0	277	0	277
Value at the end of the period	0	7,430	643	6,292	0	14,365
Accumulated depreciation (remission) at the beginning of the period	0	3,578	29	1,778	0	5,385
Amortization for the period, due to:	0	1,490	72	655	0	2,217
- Planned write-offs	0	1,490	72	943	0	2,505
- Amortization of terminated leases/returns	0	0	0	142	0	142
- Changes in profile/redemption	0	0	0	146	0	146
Accumulated depreciation (remission) at the end of the period	0	5,068	101	2,433	0	7,602
Write-Offs due to permanent impairment at the beginning of the period	0	0	0	0	0	0
- Increases	0	0	0	0	0	0
- Decreases	0	0	0	0	0	0
Write-Offs due to permanent impairment at the end of the period	0	0	0	0	0	0
Net value at the end of the period	0	2,362	542	3,859	0	6,763

Change in the state of investment properties

	In thousands of PLN	
	30.06.2024	31.12.2023
a) Balance at the beginning of the period	4,890	4,058
b) Increases, due to:	0	832
Revaluation to fair value	0	832
c) Balance at the end of the period	4,890	4,890
investment properties	4,890	4,890

4.5. Financial assets**Other long-term financial assets**

	In thousands of PLN	
	30.06.2024	31.12.2023
in related entities	644	644
shares or stocks	644	644
in other entities	1,461	1,328
shares or stocks	0	0
Other long-term financial assets (including deposits and guarantees)	1,461	1,328
Total long-term financial assets	2,105	1,972

Change in the balance of long-term financial assets (by category)

	In thousands of PLN	
	01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
Balance at the beginning of the period	1,972	3,038
Shares or stocks	644	644
Loans granted	0	0
Other long-term financial assets	1,328	2,394
Increases	133	0
Shares or stocks (capital increase))	0	0
Loans granted	0	0
Other long-term financial assets	133	0
Decreases	0	1,066
Shares or stocks (revaluation)	0	0
Loans granted	0	0
Other long-term financial assets	0	1,066
Balance at the end of the period	2,105	1,972
Shares or stocks	644	644
Loans granted	0	0

Other long-term financial assets

1,461

1,328

Receivables

For the purposes of presentation in the condensed interim standalone financial statements, the Company distinguishes a class of receivables. In the long-term section, receivables are presented in the financial statements as a single item.

4.6. Financial liabilities

Long-term financial liabilities

	In thousands of PLN	
	30.06.2024	31.12.2023
Loans and credits	0	0
Long-term liabilities, total	0	0

Short-term financial liabilities

	In thousands of PLN	
	30.06.2024	31.12.2023
Credits, loans, debt securities	4,191	61
Short-term liabilities, total	4,191	61

As of June 30, 2024, the Company had liabilities from a current account credit amounting to PLN 4,191 thousand, which resulted from the current financial engagement in the production cycle.

4.7. Deferred tax assets and liabilities

Change in deferred tax assets

	In thousands of PLN	
	01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
1. Balance of deferred tax assets at the beginning of the period, including:	9,456	4,900
a) Recognized in the financial result	9,456	4,900
2. Increases	8,890	9,456
a) Recognized in the financial result of the period due to negative temporary differences, including:	7,641	9,456
- Impairment losses on receivables	1,084	955
- Impairment losses on inventory	559	559
- Unpaid salaries	0	0
- Provisions for employee benefits	854	1,730
- Provisions for warranty repairs	2,544	2,538
- Other	2,600	3,674
b) Recognized in the financial result of the period due to tax losses	1,249	0
3. Decreases	9,456	4,900
a) Recognized in the financial result of the period due to negative temporary differences	9,456	4,900

4.	Balance of deferred tax assets at the end of the period, total, including:	8,890	9,456
a)	Recognized in the financial result:	7,641	9,456
	- Impairment losses on receivables	1,084	955
	- Impairment losses on inventory	559	559
	- Unpaid salaries	0	0
	- Provisions for employee benefits	854	1,730
	- Provisions for warranty repairs	2,544	2,538
	- Other	2,600	3,674
b)	Recognized in the financial result of the period due to tax losses	1,249	0
c)	Recognized in equity	0	0
d)	Recognized in goodwill	0	0

The Management Board has decided not to recognize a deferred tax asset for the loss generated from the sale of shares in ZEUS S.A., due to the absence of plans that would enable its utilization in the future. The situation will be monitored in subsequent reporting periods, and if conditions are identified that allow for the utilization of the loss, the asset will be recognized, or the loss will be settled.

Change in deferred tax liabilities

		In thousands of PLN	
		01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
1.	Deferred tax liability status at the beginning of the period, including:	843	1,532
a)	recognized in profit or loss	843	1,532
2.	Increases	2,760	843
a)	Recognized in profit or loss for the period due to positive temporary differences, including:	2,760	843
	- receivables valuation	0	0
	- valuation of long-term contracts	475	0
	- property, plant, and equipment (PPE) and intangible assets	2,043	670
	- other	242	173
3.	Decreases	843	1,532
a)	Recognized in profit or loss for the period due to positive temporary differences	843	1,532
4.	Deferred tax liability status at the end of the period, total	2,760	843
a)	recognized in profit or loss, due to:	2,760	843
	- receivables valuation	0	0
	- valuation of long-term contracts	475	0
	- property, plant, and equipment (PPE) and intangible assets	2,043	670
	- other	242	173
b)	recognized in equity	0	0
c)	recognized in goodwill	0	0

4.8. Inventories

		In thousands of PLN	
		30.06.2024	31.12.2023
a)	materials	3,169	1,242
b)	semi-finished products and work in progress	2,941	1,634
c)	finished products	0	0
d)	goods	0	0
e)	advances for supplies	0	0
Inventories, total		6,110	2,876
Write-downs of inventories		2,942	2,944
Inventories, total gross		9,052	5,820

The increase in the value of inventories as of June 30, 2024, is temporary and results from the nature of the production cycle.

Change in inventory write-downs

		In thousands of PLN	
		01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
Balance at beginning of period		2,944	3,110
a)	Increases	0	21
b)	Usage	0	0
c)	Reversals	2	187
Balance of inventory write-downs at the end of the period, including:		2,942	2,944
materials		2,942	2,944

In the first half of 2024, the Company did not make any adjustments to the value of inventories. However, there was a reversal of write-downs in the amount of PLN 2 thousand.

4.9. Trade and other receivables

Trade receivables and other receivables

		In thousands of PLN	
		30.06.2024	31.12.2023
-	Receivables from related parties	850	102
-	Receivables from other entities	82,357	165,368
-	Prepaid expenses	1,516	1,687
Net trade receivables and other receivables, total		84,723	167,157

Short-term receivables

		In thousands of PLN	
		30.06.2024	31.12.2023
a)	Receivables from related parties	850	102
	Trade and service receivables, with payment terms:	0	102
-	up to 12 months	0	102
-	over 12 months	0	0
	Other receivables	850	0
b)	Receivables from other entities	82,357	165,368
	Financial receivables (IFRS 9)	74,274	159,962
	Trade and service receivables, with payment terms:	74,274	159,962
-	up to 12 months	72,536	158,578
-	over 12 months	1,738	1,384
	Financial receivables (outside IFRS 9)	8,083	5,406
	Corporate income tax receivables	0	0
	Other receivables, including:	8,083	5,406
-	taxes, grants, customs duties, social and health insurance, and other contributions	5,296	3,680
-	surplus from Social Benefits Fund	0	0
-	other	2,787	1,726
-	Receivables under legal proceedings	0	0
	Total short-term receivables, net	83,207	165,470
c)	Impairment allowances for receivables	7,167	6,512
	Total short-term receivables, gross	90,374	171,982

Gross short-term receivables (currency structure converted into PLN)

		In thousands of PLN	
		30.06.2024	31.12.2023
a)	In Polish currency	89,163	170,873
b)	In foreign currencies (converted into PLN)	1,211	1,109
	Total short-term receivables	90,374	171,982

Change in the balance of impairment allowances for short-term receivables

		In thousands of PLN	
		01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
	Balance at beginning of period	6,512	5,214
a)	Increases due to:	813	1,539
	allowances for overdue and at-risk receivables	813	1,539
b)	Decreases due to:	158	241
	reversal of allowances after the repayment of receivables	158	76
	write-offs for uncollectible receivables	0	165
	Balance of impairment allowances for short-term receivables at the end of the period	7,167	6,512

Trade receivables (gross) - remaining payment period from the balance sheet date

		In thousands of PLN	
		30.06.2024	31.12.2023
a)	Up to 1 month	39,633	30,406
b)	Over 1 month to 3 months	14,387	108,430
c)	Over 3 months to 6 months	64	13,774
d)	Over 6 months to 1 year	162	195
e)	Over 1 year	2,546	1,741
f)	Overdue receivables	23,679	11,060
Trade receivables, total (gross)		80,471	165,606
g)	impairment losses on trade receivables	6,197	5,542
Total trade receivables (net)		74,274	160,064

Trade receivables, overdue (gross) - divided into receivables not paid within the period

		In thousands of PLN	
		30.06.2024	31.12.2023
a)	Up to 1 month	15,813	3,314
b)	Over 1 month to 3 months	21	82
c)	Over 3 months to 6 months	200	0
d)	Over 6 months to 1 year	139	1,626
e)	Over 1 year	7,506	6,038
Trade receivables, overdue, total (gross)		23,679	11,060
f)	write-downs on trade receivables, overdue	5,442	5,261
Trade receivables, overdue, total (net)		18,237	5,799

4.10. Assets and liabilities related to contracts**Settlement of assets related to contracts in progress (IFRS 15)**

		In thousands of PLN	
		30.06.2024	31.12.2023
Services in progress at the end of the previous period		21,305	57,645
Services in progress on the date of transfer of control		0	0
Services in progress at the end of the current period		71,831	21,305
Impact on revenue for the current reporting period		50,526	-36,340
Activated costs related to contracts in progress at the end of the previous period		34,120	53,442
Activated costs related to contracts in progress on the date of transfer of control		0	0
Activated costs related to contracts in progress at the end of the current period		69,333	34,120
Impact on cost of goods manufactured for the current reporting period		35,213	-19,322
Impact on financial result (net effect)		15,313	-17,018

Assets arising from the contract relate to estimated revenues as of June 30, 2024, from construction and assembly contracts.

Additional information on contracts in progress (IFRS 15)

	In thousands of PLN	
	30.06.2024	31.12.2023
Estimated amount of receivables from contracts in progress	71,831	21,305
Estimated amount of liabilities from contracts in progress	69,333	34,120
Amount of retained deposits and performance guarantees for completed work	3,163	3,254
Amount of advance payments received for the execution of supplies and services	22	4,721

4.11. Cash and cash equivalents

	In thousands of PLN	
	30.06.2024	31.12.2023
Cash and other cash assets	12,251	31,991
- Cash in hand and at bank accounts	12,251	31,991
- Other cash assets	0	0
- Other financial assets	0	0
Total short-term financial assets	12,251	31,991

The decrease in cash balances is a result of financial commitment to ongoing projects, while simultaneously ensuring optimization of the financing structure. The seasonality of the production cycle in the Company is characterized by lower cash levels during the analyzed period.

4.12. Assets held for sale

	In thousands of PLN	
	01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
a) initial value at the beginning of the period	0	1,872
b) increases due to reclassification to assets held for sale	0	0
c) decreases due to:	0	1,872
asset value adjustment	0	1,872
sale	0	0
Assets held for sale at the end of the period	0	0

In connection with the sale of all shares of ZEUS S.A. in the first quarter of 2024, as of June 30, 2024, there are no fixed assets classified as held for sale.

As of December 31, 2023, the value of fixed assets held for sale was PLN 0 thousand, due to the impairment loss recognized on the shares held in ZEUS S.A.

4.13. Equity

Share capital

Share capital (structure)		30.06.2024	30.06.2024	30.06.2024	30.06.2024	30.06.2024	30.06.2024	30.06.2024
a)	nominal value of one share in PLN	1	1	1	1	1	1	1
b)	series/emission	A	B	C	A	C	C	D
c)	type of shares	per bearer	per bearer	per bearer	per bearer	per bearer	per bearer	per bearer
d)	type of share preference	common	common	common	common	common	common	common
e)	number of shares in thousands	5,206	794	91	5,206	111	24	3,683
f)	value of the series/emission according to nominal value in thousands PLN	5,206	794	91	5,206	111	24	3,683
g)	method of capital coverage	cash	cash	cash	cash	cash	cash	cash
h)	registration date	30-11-1998	18-10-2006	27-02-2009	30-11-1998	28-02-2011	11-04-2013	11-05-2007
i)	right to dividend (from date)	01-01-1999	01-01-2006	01-01-2009	01-01-1999	01-01-2011	01-01-2013	01-01-2007
Share capital, total in thousands of PLN								9,983

Retained earnings and net profit

	In thousands of PLN	
	30.06.2024	31.12.2023
- Other reserve capital	56,115	40,336
- Profit (loss) from previous years	-18,309	-18,309
- Net profit (loss)	13,033	40,737
Retained earnings, total	50,839	62,764

4.14. Provisions

Change in the balance of other long-term reserves (by titles)

		In thousands of PLN	
		01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
a)	Balance at the beginning of the period	12,704	2,459
	provisions for warranty repairs	12,235	2,098
	provisions for employee benefits	469	361
	provisions for contractual penalties	0	0
	other	0	0
b)	Increases, due to:	313	11,097
	provisions for warranty repairs	313	10,989
	provisions for employee benefits	0	108
	provisions for contractual penalties	0	0
	other	0	0
c)	Utilization, due to:	0	0
	provisions for warranty repairs	0	0
	provisions for employee benefits	0	0
	provisions for contractual penalties	0	0
	other	0	0
d)	Releases, due to:	357	852
	provisions for warranty repairs	357	852
	provisions for employee benefits	0	0
	provisions for contractual penalties	0	0
	other	0	0
e)	Balance at the end of the period	12,660	12,704
	provisions for warranty repairs	12,191	12,235
	provisions for employee benefits	469	469
	provisions for contractual penalties	0	0
	other	0	0

Change in other short-term provisions (by title)

		In thousands of PLN	
		01.01.2024- 30.06.2024	01.01.2023- 31.12.2023
a)	Balance at the beginning of the period	19,539	16,786
	provisions for warranty repairs	1,120	955
	provisions for employee benefits	9,065	8,557
	provisions for contractual penalties	9,225	7,274
	other	129	0
b)	Increases, due to:	4,338	11,339
	provisions for warranty repairs	279	425
	provisions for employee benefits	3,760	8,684
	provisions for contractual penalties	299	2,101
	other	0	129
c)	Utilization, due to:	0	0
	provisions for warranty repairs	0	0
	provisions for employee benefits	0	0
	provisions for contractual penalties	0	0
	other	0	0
d)	Releases, due to:	12,913	8,586
	provisions for warranty repairs	73	260
	provisions for employee benefits	8,371	8,176
	provisions for contractual penalties	4,340	150
	other	129	0
e)	Balance at the end of the period	10,964	19,539
	provisions for warranty repairs	1,326	1,120
	provisions for employee benefits	4,454	9,065
	provisions for contractual penalties	5,184	9,225
	other	0	129

4.15. Trade and other payables

	In thousands of PLN	
	30.06.2024	31.12.2023
Financial liabilities (IFRS 9)	37,917	69,372
- due to related entities	0	522
- trade payables	37,746	68,465
- liabilities from the purchase of fixed assets	171	385
Financial liabilities (other than IFRS 9)	28,407	24,262
- due to taxes, customs duties, insurance and other benefits	1,650	21,250
- due to salaries	1,710	2,849
- other	25,047	163
- accrued expenses (short-term)	0	0
Total trade and other payables	66,324	93,634

The amount of PLN 25,047 thousand shown under "Other" mainly consists of the Company's liabilities for the payment of dividends to shareholders for the year 2023, amounting to PLN 24,958 thousand. The dividend was paid on September 4, 2024.

Trade payables (gross) - before maturity and overdue

	In thousands of PLN	
	30.06.2024	31.12.2023
a) Liabilities before maturity	36,743	64,449
b) Overdue liabilities	1,003	4,538
Up to 1 month	992	4,205
Over 1 month to 3 months	11	305
Over 3 months to 6 months	0	11
Over 6 months to 1 year	0	13
Over 1 year	0	4
Total (gross) trade payables	37,746	68,987

4.16. Leasing liabilities

	In thousands of PLN	
	30.06.2024	31.12.2023
a) Short-term liabilities	3,040	3,047
b) Long-term liabilities	10,053	2,773
Total liabilities under lease, rental and other similar contracts	13,093	5,820

Future minimum lease payments outstanding as of the balance sheet date are as follows:

	In thousands of PLN				
	Up to 1 year	Lease payments due within the period:			total
		From 1 year to 3 years	From 3 to 5 years	Over 5 years	
As of 30.06.2024					
Lease payments	4,188	6,678	3,606	1,191	15,663
Financial costs (-)	1,148	1,135	266	21	2,570
Present value	3,040	5,543	3,340	1,170	13,093
As of 31.12.2023					
Lease payments	3,647	2,805	412	0	6,864
Financial costs (-)	600	420	24	0	1,044
Present value	3,047	2,385	388	0	5,820

Additional information regarding leases (IFRS 16)

		In thousands of PLN	
		30.06.2024	31.12.2023
a)	Lease interest	529	798
b)	Cost of short-term leases and leases of low-value assets	123	289
c)	Value of lease payments (principal repayment)	1,550	2,925
Total		2,202	4,012

The Company does not recognize liabilities for short-term leases and leases where the underlying asset has a low value. Additionally, contingent lease payments that depend on factors other than an index or rate are not included in the value of lease liabilities.

4.17. Other operating income and expenses

Other operating income

		In thousands of PLN	
		01.01.-30.06.2024	01.01.-30.06.2023
-	Profit from the sale of non-financial fixed assets	53	42
-	Grants	0	0
-	Other operating income	5,455	563
Other operating income, total		5,508	605

The value of 5,455 thousand PLN reported under 'Other operating income' mainly consists of income from the reversal of the reserve for contractual penalties due to the signing of a settlement with a contractor, as well as compensation received by the Company.

Other operating costs

	In thousands of PLN	
	01.01.-30.06.2024	01.01.-30.06.2023
- Loss on the sale of non-financial fixed assets	0	0
- Impairment of non-financial assets	0	0
- Other operating expenses	1,312	1,888
Total other operating expenses	1,312	1,888

Other operating costs

	In thousands of PLN	
	01.01.-30.06.2024	01.01.-30.06.2023
a) Provisions established, due to:	299	1,515
Other, including anticipated losses on contracts	299	1,515
b) Other, including:	1,013	373
write-down of receivables	7	0
costs of resold services	148	41
damages due to traffic incidents	79	11
Legal/court costs	112	20
donations	7	5
contractual penalties and compensations	495	275
other costs	165	21
Total other operating expenses	1,312	1,888

Profit (loss) from expected credit losses

	In thousands of PLN	
	01.01.-30.06.2024	01.01.-30.06.2023
- Reversal of impairment allowances for receivables	158	48
- Creation of impairment allowance for receivables	-813	-22
- Creation of impairment allowance for receivables from loans	0	-600
- Reversal of impairment allowance for receivables from loans	386	0
Profit (loss) from expected credit losses, total	-269	-574

4.18. Financial income and expenses

Financial income

	In thousands of PLN	
	01.01.-30.06.2024	01.01.-30.06.2023
- Dividends and profit shares	164	2,050
- Interest	494	1,067
- Profit on sale of investments	0	0
- Revaluation of investments	422	0
- Other	0	8
Financial income, total	1,080	3,125

Financial expenses

	In thousands of PLN	
	01.01.-30.06.2024	01.01.-30.06.2023
- Interest	1,318	1,033
- Loss on sale of investments	40	0
- Revaluation of investments	0	1,872
- Other	108	21
Financial expenses, total	1,466	2,926

The value of 108 thousand PLN reported under the "Other" category mainly consists of foreign exchange differences.

4.19. Profit (loss) on the sale of subsidiaries

In the first quarter of 2024, the sale of the subsidiary ZEUS S.A. took place. Due to impairment losses recognized in previous periods, the individual loss on the sale of shares amounted to 40 thousand PLN.

4.20. Impairment of goodwill

As of December 31, 2023, the Management Board of ELEKTROTIM S.A. subjected the cash-generating units associated with goodwill to impairment testing by comparing the carrying amount of the unit, including goodwill, with its recoverable amount, based on the following assumptions: cash flow projection period of 5 years, growth rate after the projection period of 3%, and discount rate of 11%. It was determined that there was no impairment of the unit and its related value. Consequently, no impairment loss was recognized.

As of June 30, 2024, no indicators of potential impairment of the carrying amount of goodwill were identified; therefore, no impairment loss was recognized in the first half of 2024.

4.21. Information on financial instruments

During the period covered by the interim condensed financial statements, the Company utilized deposits to secure collateral for periods longer than 12 months.

	30.06.2024	In thousands of PLN 31.12.2023
a) deposits and security deposits over 12 months	1,461	1,328
b) granted loans	0	0

Interest income

	01.01.2024- 30.06.2024	In thousands of PLN 01.01.2023- 31.12.2023
a) due to granted loans	141	0

Liabilities from credits

	30.06.2024	In thousands of PLN 31.12.2023
a) long-term credits	0	0
b) short-term credits	4,191	61

As of June 30, 2024, the Company had liabilities from current account loans amounting to PLN 4,191 thousand, which resulted from the current financial commitment in the production cycle.

Derivative instruments

The company uses derivative instruments to hedge future currency payments arising from concluded contracts.

Summary of forward hedge transactions as of 30.06.2024

No.	Type of derivative instrument	Contract date	Transaction value in EUR/USD	Currency	Forward rate	Settlement date	Execution value in PLN	Transaction party	Profit/loss in PLN
1.	Forward 11376913 purchase	10-04-2024	300,000.00	EUR	4.2891	12-07-2024	1,286,730.00	mBank S.A.	7,401.48
2.	Forward 11384435 purchase	12-04-2024	100,000.00	USD	4.0259	16-08-2024	402,590.00	mBank S.A.	451.34
3.	Forward 11486545 purchase	23-05-2024	1,500,000.00	USD	4.0217	30-08-2024	6,032,550.00	mBank S.A.	14,038.36
4.	Forward 11259601 sale	26-02-2024	200,000.00	EUR	4.3534	30-08-2024	870,680.00	mBank S.A.	5,333.54
5.	Forward 11519139 purchase	05-06-2024	250,000.00	USD	3.9622	13-09-2024	990,550.00	mBank S.A.	17,224.27
6.	Forward 11498023 purchase	28-05-2024	100,000.00	USD	3.9174	13-09-2024	391,740.00	mBank S.A.	11,315.97

7.	Forward 11259606 sale	26-02-2024	300,000.00	EUR	4.3564	13-09-2024	1,306,920.00	mBank S.A.	7,745.62
8.	Forward 11524186 purchase	07-06-2024	200,000.00	USD	3.9431	27-09-2024	788,620.00	mBank S.A.	17,673.67
9.	Forward 11519173 purchase	05-06-2024	200,000.00	USD	3.9641	27-09-2024	792,820.00	mBank S.A.	13,533.64
10.	Forward 11463240 purchase	14-05-2024	500,000.00	USD	3.9590	27-09-2024	1,979,500.00	mBank S.A.	36,347.68
11.	Forward 11471951 purchase	17-05-2024	150,000.00	USD	3.9331	16-10-2024	589,965.00	mBank S.A.	14,858.73
12.	Forward 11491138 purchase	24-05-2024	200,000.00	USD	3.9400	18-10-2024	788,000.00	mBank S.A.	18,474.06
13.	Forward 11558597 purchase	19-06-2024	200,000.00	USD	4.0358	29-10-2024	807,160.00	mBank S.A.	-211.13
14.	Forward 11481249 purchase	21-05-2024	300,000.00	USD	3.9252	29-10-2024	1,177,560.00	mBank S.A.	32,216.20
15.	Forward 11569496 purchase	25-06-2024	250,000.00	USD	4.0104	18-11-2024	1,002,600.00	mBank S.A.	6,264.67
16.	Forward 1635870 purchase	12-04-2024	1,000,000.00	USD	4.0255	15-07-2024	4,025,500.00	Bank Millennium S.A.	6,743.03
17.	Forward 1635871 purchase	12-04-2024	400,000.00	USD	4.0270	16-08-2024	1,610,800.00	Bank Millennium S.A.	2,362.88
18.	Forward 879055 purchase	21-05-2024	1,000,000.00	USD	3.9299	30-09-2024	3,929,900.00	ING Bank Śląski S.A.	104,816.54
19.	Forward 879057 purchase	21-05-2024	1,000,000.00	USD	3.9325	30-10-2024	3,932,500.00	ING Bank Śląski S.A.	104,835.56

Reclassification of financial assets

During the period covered by the interim condensed standalone financial statements, no reclassification of financial assets was conducted.

Risk management

Due to the dominant role of ELEKTROTIM S.A. within the Group, the identified risks at the standalone level are consistent with the risks described in the interim condensed consolidated financial statements in note 2.21 of this report.

The exposure to credit risk and liquidity risk, with regard to the aging structure of overdue receivables not covered by provisions, as well as the aging structure of overdue payables, is presented in the tables below.

Gross trade receivables as of 30.06.2024

		Allowances for receivables	Receivables	In thousands of PLN Allowances in %
a)	not overdue	808	56,792	1.42%
b)	overdue up to 1 month	0	15,813	0.00%
c)	overdue over 1 month to 3 months	0	21	0.00%
d)	overdue over 3 months to 6 months	200	200	100.00%
e)	overdue over 6 months to 1 year	139	139	100.00%
f)	overdue over 1 year	5,050	7,506	67.28%
Total		6,197	80,471	7.70%
g)	impairment losses on trade receivables	6,197	6,197	
Total		0	74,274	

Trade and lease payables (gross) - before maturity and overdue

		30.06.2024	In thousands of PLN 31.12.2023
Trade payables (gross):		37,746	68,987
a)	Liabilities before the due date (maturity)	36,743	64,449
b)	Overdue liabilities	1,003	4,538
	Up to 1 month	992	4,205
	Over 1 month to 3 months	11	305
	Over 3 months to 6 months	0	11
	Over 6 months to 1 year	0	13
	Over 1 year	0	4
Liabilities from leasing and rental rights, total (gross):		13,093	5,820
a)	Liabilities before the due date	13,093	5,820
b)	Overdue liabilities	0	0
Total trade and lease payables (gross)		50,893	74,807

4.22. Off-balance sheet positions, particularly contingent liabilities

Contingent liabilities are understood as possible obligations arising from past events, the existence of which will be confirmed by the occurrence or non-occurrence of one or more future events that are not entirely within the control of the entity.

Guarantee lines held by the Company and their use

As of June 30, 2024, the Company has a total limit for bid bonds, performance bonds, warranty and liability guarantees, and advances amounting to PLN 291,400 thousand and EUR 6,000 thousand. The utilization as of June 30, 2024, is PLN 82,042 thousand and EUR 800 thousand.

At the request of ELEKTROTIM, the bank issued a performance guarantee for the contract in the amount of PLN 259 thousand for ZEUS S.A., whose beneficiary is a commercial law company. The guarantee is valid until February 15, 2025.

4.23. Calculation of book value per share and diluted book value per share

The book value per share is the quotient of the book value, which is the difference between the total assets and the company's liabilities, divided by the number of shares.

The diluted book value per share is the quotient of the book value divided by the number of common shares plus the potential number of shares the entity is committed to issue.

Detailed values of the indicator for the first half of 2024 and the year 2023 are presented in the table below.

	30.06.2024	31.12.2023
Book value (in thousands of PLN)	105,192	117,117
Number of shares (in pieces)	9,983,009	9,983,009
Book value per share (in PLN)	10.54	11.73
Diluted number of shares (in pieces)	9,983,009	9,983,009
Diluted book value per share (in PLN)	10.54	11.73

4.24. Calculation of profit (loss) per common share and diluted profit (loss) per common share

Profit per common share is the quotient of the net profit from the income statement for the given period and the weighted average number of common shares for that period. The weighted average number of common shares is calculated as the quotient of the sum of the number of shares at the end of each month of the period and the number of months in the period.

Diluted profit per common share is the quotient of the net profit from the income statement for the given period and the weighted average number of shares for that period, increased by the weighted average potential number of shares that the entity is committed to issue.

Detailed values of the indicator for the first half of the years 2024 and 2023 are presented in the table below.

	01.01-30.06.2024	01.01-30.06.2023
Net profit (loss) (in thousands of PLN)	13,033	19,014
Weighted average number of common shares (in units)	9,983,009	9,983,009
Profit (loss) per common share (in PLN)	1.31	1.90
Weighted average diluted number of common shares (in units)	9,983,009	9,983,009
Diluted profit (loss) per common share (in PLN)	1.31	1.90

4.25. Information on transactions with related parties that are significant and conducted on terms other than market conditions

Transactions with related parties were conducted on market terms, taking into account the prices and conditions prevailing in the market.

In its purchasing strategy, the Company focuses on selecting the most favorable market price available by continuously monitoring prices from multiple suppliers and choosing from several of the most advantageous offers.

01.01.-30.06.2024	Subsidiaries	Key management	Other related parties
Purchase of goods and services	-	-	260
Sale of goods and services	-	-	74
Revenue from property rentals	-	-	0
Financial income	-	-	164
Sale of fixed assets	-	-	0
Receivables	-	-	850
Liabilities	-	-	0

01.01.-31.12.2023	Subsidiaries	Key management	Other related parties
Purchase of goods and services	-	-	2
Sale of goods and services	-	-	498
Revenue from property rentals	-	-	11
Financial income	-	-	0
Sale of fixed assets	-	-	102
Receivables	-	-	522
Liabilities	-	-	

4.26. Information on significant events occurring after the balance sheet date

After the balance sheet date, no significant events that were not included in the financial statements occurred.

Wrocław, September 17, 2024

Prepared by:

Chief Accountant – Lidia Zawilak

MANAGEMENT BOARD OF ELEKTROTIM S.A.

President of the Management Board – Artur Więznowski

Member of the Management Board –
Dariusz Kozikowski

Member of the Management Board – Marek Piotrowski

Member of the Management Board –
Maciej PosadzyMember of the Management Board –
Krzysztof Wójcikowski