



Extended Consolidated Quarterly Report for the period from 1 January to 31 March 2024

This report is a direct translation from the original Polish version.
In the event of differences resulting from the translation, reference should be made to the official Polish version.

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Additional information to the quarterly report

1. Additional information to the quarterly report

1.1 Financial highlights

Consolidated financials of Selena Group

	PLN '000		EUR '000	
	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Revenue from contracts with customers	400,258	412,197	92,629	87,692
Operating profit	27,506	416	6,366	89
Profit (loss) before tax	24,555	-4,213	5,683	-896
Profit (loss) after tax	19,252	-5,032	4,455	-1,071
Profit / loss after tax attributable to controlling interests	19,087	-5,057	4,417	-1,076
Comprehensive income	17,823	-6,402	4,125	-1,362
Comprehensive income attributable to shareholders of the parent	17,659	-6,371	4,087	-1,355
Net cash flows from operating activities	8,000	-75,949	1,851	-16,158
Net cash flows from investing activities	-43,466	-10,093	-10,059	-2,147
Net cash flows from financing activities	21,594	59,700	4,997	12,701
Number of shares	22,834,000	22,834,000	22,834,000	22,834,000
Earnings per ordinary share (PLN/share; EUR/share)	0.84	-0.22	0.19	-0.05

	As at 31.03.2024	As at 31.12.2023	As at 31.03.2024	As at 31.12.2023
Total assets	1,386,214	1,285,974	322,308	295,762
Long-term liabilities	100,756	107,254	23,427	24,667
Short-term liabilities	566,019	477,642	131,605	109,853
Equity	719,439	701,078	167,276	161,241
Registered capital	1,142	1,142	266	263

Financial data of the Parent Company

	PLN '000		EUR '000	
	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Revenue from contracts with customers	213,419	240,483	49,390	51,161
Operating profit (loss)	19,708	-5,296	4,561	-1,127
Profit (loss) before tax	53,152	-9,723	12,301	-2,069
Profit (loss) after tax	50,059	-7,259	11,585	-1,544
Comprehensive income	50,059	-7,259	11,585	-1,544
Net cash flows from operating activities	-30,182	-75,077	-6,985	-15,972
Net cash flows from investing activities	-23,769	25,369	-5,501	5,397
Net cash flows from financing activities	53,718	31,389	12,432	6,678
Number of shares	22,834,000	22,834,000	22,834,000	22,834,000
Earnings per ordinary share (PLN/share) /EUR/share)	2.19	-0.32	0.51	-0.07

	As at 31.03.2024	As at 31.12.2023	As at 31.03.2024	As at 31.12.2023
Total assets	960,351	852,017	223,291	195,956
Liabilities	391,561	333,286	91,042	76,653
Equity	568,790	518,731	132,249	119,303
Registered capital	1,142	1,142	266	263

1.2 Group structure

The Group structure and changes in it made during the 3 months ended 31 March 2024, and after the balance sheet date were presented in Note 2.1.2 to this report.

1.3 Significant developments in the reporting period

1.3.1 Development of R&D operations

Selena Group's R&D activity is primarily carried out by Selena Industrial Technologies Sp. z o.o. Branch 3 ("SIT Branch 3") and laboratories in Spain, Romania, Turkey and Italy. In Q1 2024, SIT Branch 3 carried out intensive work on development of new products and technologies in all product groups alongside a steady product testing and cost-optimization process.

1.3.2 Other significant events

Impact of the situation in Ukraine on the Group's activities is presented in Note 2.6 to this report.

1.4 Group performance drivers

Financial performance

The tables below show selected items of the consolidated income statement for the 3 months ended 31 March 2024 and 31 March 2023, respectively, as well as selected financial ratios.

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023	Change Change	Change %
Revenue from contracts with customers	400,258	412,197	-11,939	-2.9%
Cost of sales	264,855	292,897	-28,042	-9.6%
Gross profit	135,403	119,300	16,103	13.5%
Selling and marketing costs	71,129	78,951	-7,822	-9.9%
General and administrative expenses	36,150	38,406	-2,256	-5.9%
Other operating income (loss)	-436	33	-469	-1421.2%
Impairment of financial assets	182	1,560	-1,378	-88.3%
EBITDA (operating profit + depreciation + amortisation)	38,108	9,949	28,159	283.0%
Operating profit (EBIT)	27,506	416	27,090	6512.0%
Net financial income (loss)	-3,601	-5,369	1,768	32.9%
Share in net profit/loss of the associate	650	740	-90	-12.2%
Profit/ loss before tax	24,555	-4,213	28,768	682.8%
Profit/loss after tax	19,252	-5,032	24,284	482.6%
Other net comprehensive income	-1,429	-1,370	-59	-4.3%
Total comprehensive income	17,823	-6,402	24,225	378.4%

	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023	Change change in p.p.
Gross profit margin	33.8%	28.9%	4.9
Selling costs/ Revenue from contracts with customers	17.8%	19.2%	-1.4
General and administrative expenses/ Revenue from contracts with customers	9.0%	9.3%	-0.3
EBITDA margin %	9.5%	2.4%	7.1
Operating profit margin (EBIT %)	6.9%	0.1%	6.8
Net profit margin	4.8%	-1.2%	6.0

EBIT% – operating profit/ revenue from contracts with customers

EBITDA% – (operating profit + depreciation/amortization)/ revenue from contracts with customers

Revenue from contracts with customers

In Q1 2024, the Group's consolidated revenue from contracts with customers amounted to PLN 400.3 million, which is by PLN 2.9% (PLN 11.9 million) lower than in the corresponding period of the previous year.

The decrease in revenue from contracts with customers compared to the same period last year is mainly caused by lower volumes and currency rate movements compared with Q1 2023.

The Group's revenue from sales is presented with a split into seven reportable segments: Parent Company; Distribution in Poland; Production in Poland; Western Europe; Eastern Europe and Asia; Americas, and Others. The key segments in terms of external revenues are:

- Western Europe – a 2.4% increase in the contribution to the Group's revenues (first quarter of 2024 compared to first quarter of 2023);
- Eastern Europe and Asia – a 1.2% decrease in the contribution to the Group's revenues (first quarter of 2024 compared to first quarter of 2023);
- Distribution in Poland – a 1.4% decrease in the contribution to the Group's revenues (first quarter of 2024 compared to first quarter of 2023).

The contribution of the Parent Company segment dropped by 2.4% (first quarter of 2024 compared to first quarter of 2023), with a simultaneous 22% decrease in revenue growth.

Segment	Segment's share in the Group's revenues		Revenue change
	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023	2024/2023
Parent company	9.8%	12.2%	-22%
Production in Poland	3.6%	0.4%	713%
Distribution in Poland	18.8%	20.2%	-10%
Western Europe	30.2%	27.8%	5.5%
E.Europe and Asia	22.0%	23.2%	-8%
Americas	7.1%	7.7%	-11%
Others, including:	8.5%	8.5%	-2%
<i>Poland – other affiliates</i>	1.2%	0.5%	122%

Gross profit

For the 3 months of 2024 ended 31 March 2024, Selena Group generated gross profit of PLN 135.4 million, i.e. PLN 16.1 million more year-on-year.

As at the end of Q1, gross profit margin was 33.8%, up 4.9 p.p. year-on-year. This growth resulted from a steady increase in the share of sales of innovative products with a higher margin.

Selling costs and general and administrative expenses

Selling costs over the 3 months ended 31 March 2024 were PLN 71.1 million, down PLN 7.8 million (9.9%) year-on-year. The YoY decrease is due to lower level of sales and lower bonus provision. Costs were also significantly impacted by the major reduction in warehouse rental costs.

Over the 3 months ended 31 March 2024, **general and administrative expenses** were PLN 36.2 million. They fell by PLN 2.3 million year-on-year on the back of strong cost discipline.

After Q1 2024, the ratio of selling, general and administrative expenses to sales was 26.8%, down 1.67 p.p. year-on-year.

Other operating income (loss)

The result on other operations was negative at PLN -0.3 million, taking into account the impairment loss on financial and non-financial assets.

Operating profit

After the three months of 2024, Selena Group generated operating profit of PLN 27.5 million vs PLN 0.4 million in the same period of the previous year, up 27.1 million year-on-year.

Net profit

During the first quarter of 2024, Selena Group achieved net profit of PLN 19.3 million compared with PLN 5 million posted in the corresponding period of 2023, up 482.6%. In addition to the strong increase in operating profit, the Group's net profit was significantly influenced by the net financial income, including by valuation of open currency positions (trading settlements and loans received/granted) and interest expenses. The balance of FX differences was PLN 2.1 million vs a negative balance of PLN -5.7 million in the year-ago period.

For the 3 months ended 31 March 2024, the income tax charge was PLN 5.3 million.

For the 3 months of 2024, EBITDA was PLN 38.1 million (including depreciation/amortization: PLN 10.6 million), which was by PLN 28.2 million higher year-on-year.

Asset and financial position

The table below shows selected figures of the consolidated balance sheet as at 31 March 2024 and 31 December 2023.

Figures in PLN thousand	As at 31.03.2024	As at 31.12.2023	Change Change	Change %
Non-current assets	620,382	597,279	23,103	4%
Property, plant and equipment	403,713	393,706	10,007	3%
Intangible assets	50,773	52,286	-1,513	-3%
Other long-term assets	165,896	151,287	14,609	10%
Current assets	765,832	688,695	77,137	11%
Inventories	236,612	202,873	33,739	17%
Trade and other receivables	353,951	298,072	55,879	19%
Cash	62,045	75,875	-13,830	-18%
Other current assets	113,224	111,875	1,349	1%
Equity	719,439	701,078	18,361	3%
Liabilities	666,775	584,896	81,879	14%
Bank and other loans	193,287	162,747	30,540	19%
Trade and other liabilities	268,180	224,284	43,896	20%
Other liabilities	205,308	197,865	7,443	4%
	As at 31.03.2024	As at 31.12.2023		
Current ratio*	1.4	1.4		
Quick liquidity**	0.9	1.0		

*Current ratio – current assets / current liabilities

**Quick ratio – current assets less stocks / current liabilities

As at 31 March 2024, the Group's asset position, with an increase in total assets of PLN 100.2 million vs. 31 December 2023, was affected by an increase in working capital and debt.

As at 31 March 2024, the current and quick ratios (1.4 and 0.9 respectively) point to the Group's ability to meet its obligations in a timely manner.

Debt

Figures in PLN thousand	As at 31.03.2024	As at 31.12.2023
Bank and other loans	193,287	162,747
Lease liabilities	70,927	73,298
Less cash and cash equivalents	-62,045	-75,875
Net interest-bearing debt	202,169	160,170
Equity attributable to the shareholders of the parent	716,123	697,926
Equity and net interest-bearing debt	918,292	858,096
Total debt ratio (liabilities/ total assets)	48%	45%
Interest-bearing debt ratio (interest-bearing debt/ total assets)	19%	18%
Net interest-bearing debt/ EBITDA*	1.14	1.08

* net interest-bearing debt as at the balance sheet date; EBITDA for the last 4 quarters

As at the balance sheet date, the debt on bank and other loans increased vs 31 December 2023 to PLN 30.5 million. At the same time, cash and cash equivalents fell by PLN 13.8 million compared to 31 December 2023. The net debt to EBITDA ratio (bank covenant) increased to 1.14. As at 31 March 2024, the interest-bearing debt ratio was 19%, up 1 p.p. vs the end of 2023.

The key goal of the Group's capital management is to maintain good credit rating and safe capital ratios to facilitate the Group's operations and increase value for shareholders.

The Parent Company manages its capital structure, and modifies it in response to the current needs and changes to the economic conditions. To maintain or change the capital structure, the Parent Company may use the following instruments:

- dividend paid to shareholders;
- issue of new stock;
- loan taking or repayment.

Cash flows

The tables below show selected items of the consolidated statement of cash flows for the 3 months ended 31 March 2024 and 31 March 2023, respectively.

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023	Change Change
Net cash flows from operating activities	8,000	-75,949	83,949
Net cash flows from investing activities	-43,466	-10,093	-33,373
Net cash flows from financing activities	21,594	59,700	-38,106
Change in cash and cash equivalents:	-13,872	-26,342	12,470

Net cash flows for the 3 months ended 31 March 2024 were PLN -13.9 million.

For Q1 2024, net operating cash flows were PLN 8 million, up PLN 83.9 million on the corresponding period of 2023. Changes in net current assets were as follows: receivables – up PLN 71.7 million, inventories – up PLN 11.2 million, and liabilities – up PLN 32.5 million.

During the 3 months ended 31 March 2024, net cash flows from investing activities were negative at PLN -43.5 million. Investment outflows on the acquisition of tangible and intangible assets were PLN 21.6 million higher than in the corresponding period last year.

Net cash flows from financing activities for the 3 months ended 31 March 2024 were PLN 21.6 million. This figure was mainly affected by the bank loans (PLN 59.1 million) obtained to fund working capital requirements, lease payments (PLN -4.1 million), repayment of loans (PLN -28.7 million) and interest paid (PLN -4.7 million).

1.5 Seasonality of business

The building materials industry in which Selena Group operates is characterized by seasonality of sales. Lower activity is observed in the winter and early spring months, while in the subsequent quarters sales increase to usually peak in the third quarter. Looking at the figures for 2022–2023, one may conclude that sales in individual quarters have the following contribution to the total annual sales: Q1 – 22%, Q2 - 25%, Q3 - 28%, Q4 - 25%. Seasonal fluctuations of sales are primarily affected by the weather and fluctuations in sales in the individual geographies where the Group operates.

1.6 Delivery of forecasts

Selena Group did not publish any performance forecast for Q1 2024.

1.7 Issue, redemption of repayment of non-equity and equity instruments

As at 31 December 2023, the Company had 1,194,834 own shares with a nominal value of PLN 0.05 per share, representing 5.23% of the Company's registered capital and carrying 4.45% of the total number of votes at the Company's General Meeting (with the note that in accordance with Article 364 § 2 of the Commercial Companies Code voting rights attached to the Company's own shares cannot be exercised).

In the period from 1 January 2024 to the date of publication of this report, there were no changes in the number of own shares held.

On 23 May 2024, the Annual General Meeting of Selena FM S.A. – with reference to the AGM Resolution No. 10/2021 of 27 May 2021 – adopted a resolution authorizing the Management Board to acquire own shares on behalf of and for the benefit of the Company and defining the rules for the acquisition of own shares by the Company ("Authorization Resolution") – adopted Resolution No. 21 extending the Management Board's authorization to acquire the Company's own shares for the purpose of their cancellation. The authorization was extended to 30 June 2027. Other rules concerning the acquisition of the Company's own shares specified in the Authorization Resolution remained unchanged.

1.8 Profit distribution for 2023

On 23 May 2024, the Annual General Meeting of Selena FM S.A. adopted a resolution whereby it decided to:

1. allocate the 2023 net profit of PLN 15,798,429.39 in full for the payment of dividend;
2. allocate part of the capital reserve created from retained earnings of PLN 16,660,319.61 for the payment of dividend to the Company's shareholders in proportion to their holdings in shares;
3. pay a dividend of PLN 1.50 per share, i.e. to allocate a total of PLN 32,458,749.00 for the payment of dividend, with the dividend amount to be paid partly from the Company's 2023 net profit (PLN 15,798,429.39) and partly from the Company's capital reserve created from retained earnings (the amount of PLN 16,660,319.61).

The record date was set to 6 June 2024, while the dividend payment date was set to 30 June 2024.

1.9 Shareholders of the parent

According to the Company's knowledge, as at the date of publication of this report, the following shareholders hold the shares which carry at least 5% votes at the General Meeting:

Shareholder	Type of shares	Number of shares acquired	Share in registered capital	Number of votes	Share in votes at the General Meeting***
Syrius Investments S.a.r.l.*	Registered preference shares	4,000,000	17.52%	8,000,000	29.81%
	Bearer shares	13,813,000	60.49%	13,813,000	51.48%
Powszechne Towarzystwo Emerytalne Allianz Polska S.A.**	Bearer shares	1,468,016	6.43%	1,468,016	5.47%

* entity controlled by Krzysztof Domarecki

** As at 12 May 2023, based on a notification from Powszechne Towarzystwo Emerytalne Allianz Polska S.A., manager of Allianz OFE.

*** Taking into account the Company-held own shares whose voting rights may not be exercised in accordance with Article 364 § 2 of the Commercial Companies Code.

1.10 Shareholdings by executive and non-executive directors

The Company's executive and non-executive directors do not hold the Company's shares.

1.11 Litigations

At the date of approval of these interim condensed consolidated financial statements, no company from Selena Group was a party to any court proceedings where the claim value would exceed 10% of the Parent Company's equity.

In the period until the date of approval of these interim condensed consolidated financial statements, neither Selena FM S.A. nor any company from its Group were party to any significant new court disputes.

1.12 Guarantees given

Either the Parent Company or any members of Selena Group did not give to third parties any guarantees whose value would exceed 10% of the Parent's equity.

Group companies provide cross-guarantees to each other in connections with jointly incurred bank debt, and as part of commercial transactions. These are intragroup transactions. Such guarantees given to the subsidiaries by Selena FM S.A. were described in detail in Note 7.1 of the standalone financial statements of Selena FM S.A. for 2023.

1.13 Factors that will affect financial performance in the next quarter

The key factors that in the Management Board's opinion may affect the Group's performance in the following periods are described below.

The macroeconomic situation in Poland and world-wide. The updated forecast of the International Monetary Fund (IMF) published in April 2024 shows that in 2023 the global economy's GDP grew by 3.2%. 2024 is expected to see the same growth rate at 3.2%. Most importantly, highly developed countries are to experience a GDP growth of 1.7% in 2024 (vs a growth of 1.6% in 2023). The GDP of developing markets is projected to grow by 4.2% (vs a growth of 4.3% in 2023). For most of Selena Group's markets, GDP is forecast to grow compared with 2023. Importantly, euro zone countries are to achieve a growth of 0.8% in 2024 (vs 0.4% in 2023). For the USA, the IMF forecasts an increase of 2.7% in 2024 (2.5% in 2023), an increase of 4.6% for China (+5.2% in 2023) and an increase of 3.2% for Russia (3.6% in 2023). For Poland, a GDP growth of 0.2% in 2023 was noted with an increase to 3.1% in 2024.

Inflation. According to the forecasts published by the International Monetary Fund (IMF) in April 2024, the global average annual inflation reached 6.8% in 2023 and is expected to remain at an elevated level in 2024, with a forecast of 5.9%. Particularly important for Selena Group markets will be inflation rates in the eurozone countries, which are expected to see inflation of 2.4 in 2024. Notably, Poland is forecast to see an average price increase of 5.0% in 2024.

Availability of financing. According to the results of the PENGAB banking business sentiment index published by the Polish Bank Association, in April 2024 the market sentiment improved slightly (for 6-month forecasts): 42% of experts point to an increase, 42% to stabilization, and 15% to a decrease in housing loans.

Situation in the construction sector. Demand in the construction chemicals market is and will be influenced by the situation in the residential construction segment, where these materials are used to the highest degree. Data published by the Central Statistics Office (GUS) for Poland for Q1 2024 point to a drop of 11.9% in house completions year-on-year. At the same time, the number of construction permits increased by 32.8%, while the number of commenced housing investments increased by 55.8%.

FX rates. According to the currency forecasts consensus of Thomson Reuters of May 2024, the coming months may see a slight depreciation of the EUR/PLN rate. At the end of the year, the expected EUR/PLN exchange rate is 4.30. Towards the year-end, the following currency rates are expected for the Group's main markets: EUR/CZK

25.10 EUR/HUF 395.00 EUR/RON 5.00 and EUR/TRY 39.80. Major fluctuations in exchange rates have an impact on currency risk.

Operational risk. Operational risk is the risk of loss as a result of ineffective or failed internal processes, people, systems, or external events (operational risks related to internal processes, products, logistics, raw materials and IT, legal risk). In Q1 2024, no significant events in this risk category were recorded Selena Group that would affect the Group's production or sales activities.

Detailed information on the Group's activities in the area of **Health & Safety risk** is described in the non-financial statement attached to the Report on Selena Group's activities for 2023.

Detailed information on the Group's activities in the area of **combating climate change** is described in Note 3.14 to the Report on Selena Group's activities for 2023 and in the non-financial statement attached to that report.

The **geopolitical risk** related to the current situation in Ukraine is described in Note 1.3.2 and Note 2.6.1 to this report, and the impact of this situation on the going concern assumptions is presented in Note 2.1.3 to this report.

Financial risks (currency, interest rate, credit and liquidity risks as well as other (specific) risks, including commodity price risk) are described in Note 2.6.2 to this report.

To ensure an enhanced response to crisis situations, the Group has BCMS (Business Continuity Management System) in place. Detailed information on BCMS was disclosed in the non-financial statement attached to the Report on Selena Group's activities for 2023.

1.14 Other significant information

This report presents information which might have a significant impact on the assessment of Selena's employment, asset or financial position, and which is key to assessment of its ability to meet its obligations.



Condensed consolidated financial statements

2. Condensed consolidated financial statements

CONSOLIDATED INCOME STATEMENT

Figures in PLN thousand	Note	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Continued operations			
Revenue from the sale of products		352,238	371,395
Revenue from the sale of goods and raw materials		42,443	39,376
Revenue from the sale of services		5,577	1,426
Revenue from contracts with customers	2.2	400,258	412,197
Cost of sales		264,855	292,897
Gross profit		135,403	119,300
Selling and marketing costs		71,129	78,951
General and administrative expenses		36,150	38,406
Other operating income	2.3.1	1,209	1,257
Other operating costs	2.3.1	1,645	1,224
Impairment of financial assets		182	1,560
Operating profit		27,506	416
Financial income	2.3.2	10,329	5,944
Financial costs	2.3.2	13,930	11,313
Share in net profit/loss of the associate		650	740
Profit before tax		24,555	-4,213
Income tax	2.4	5,303	819
Net profit on continued operations		19,252	-5,032
Profit (loss) on discontinued operations		0	0
Net profit for the period		19,252	-5,032
Net profit attributable to:			
– shareholders of the parent		19,087	-5,057
– non-controlling interests		165	25
Earnings per share attributable to the shareholders of the parent			
		(PLN/share)	(PLN/share)
– basic, including:		0.84	-0.22
<i>on continued operations</i>		0.84	-0.22
<i>on discontinued operations</i>		0.00	0.00
– diluted, including:		0.84	-0.22
<i>on continued operations</i>		0.84	-0.22
<i>on discontinued operations</i>		0.00	0.00

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Net profit	19,252	-5,032
FX differences arising on translation of the foreign associate	-1,726	-1,839
Other comprehensive income subject to reclassification to profit or loss, before tax	-1,726	-1,839
Other comprehensive income, before tax	-1,726	-1,839
Income tax related to foreign exchange differences on translation	297	469
Income tax related to components of comprehensive income that are reclassified to profit or loss	297	469
Other comprehensive income for the period, after tax	-1,429	-1,370
Total comprehensive income	17,823	-6,402
Attributable to:		
– shareholders of the parent	17,659	-6,371
– non-controlling interests	164	-31

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

Figures in PLN thousand	Note	As at 31.03.2024	As at 31.12.2023
ASSETS			
Property, plant and equipment		403,713	393,706
Intangible assets		50,773	52,286
Investments accounted for using the equity method		62,682	51,271
Deferred tax assets		63,099	60,066
Other long-term financial assets	2.5.1	40,115	39,950
Total non-current assets		620,382	597,279
Inventories	2.5.2	236,612	202,873
Other short-term non-financial assets		90,560	90,980
Trade and other receivables	2.5.1	353,951	298,072
CIT claimed		10,847	10,772
Other short-term financial assets	2.5.1	11,817	10,123
Cash and cash equivalents	2.6.2	62,045	75,875
Total current assets		765,832	688,695
TOTAL ASSETS		1,386,214	1,285,974
LIABILITIES AND EQUITY			
Registered capital		1,142	1,142
Own shares		-28,676	-28,676
FX differences arising on translation of the foreign associate		-90,467	-89,039
Supplementary capital		746,563	746,557
Other reserves		118,545	118,545
Retained profit/ loss carried forward		-30,984	-50,603
Equity attributable to the shareholders of the parent		716,123	697,926
Non-controlling interests		3,316	3,152
Total equity		719,439	701,078
Long-term portion of bank and other loans	2.5.1	25,131	29,163
Long term lease liabilities		55,786	57,840
Deferred tax liability		9,647	9,811
Other long term non-financial liabilities		3,804	3,943
Long-term provisions	2.5.2	6,388	6,497
Long-term liabilities		100,756	107,254
Trade and other liabilities	2.5.1	268,180	224,284
Obligations to return remuneration		25,844	32,393
Performance obligations		5,319	8,805
Short-term portion of bank and other loans	2.5.1	168,156	133,584
Short-term lease liabilities		15,141	15,458
Other short term financial liabilities		1,729	1,696
CIT tax payable		10,493	6,185
Other short term non-financial liabilities		69,004	53,212
Short-term provisions	2.5.2	2,153	2,025
Short-term liabilities		566,019	477,642
Total liabilities		666,775	584,896
TOTAL LIABILITIES AND EQUITY		1,386,214	1,285,974

CONSOLIDATED STATEMENT OF CASH FLOWS

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Cash flows from operating activities		
Profit (loss) before tax	24,555	-4,213
Adjustments to reconcile profit, including:	-12,742	-66,062
Share in the result of the entities accounted for using the equity method	-650	-740
Depreciation/ amortization	10,602	9,533
FX gains (losses)	-2,999	-1,646
Interest	4,607	1,548
Gain (loss) on sale and liquidation of non-financial fixed assets	-301	360
Valuation of derivatives	1,514	797
Change in the balance of receivables	-57,793	-129,450
Change in the balance of inventories	-33,392	-44,548
Change in the balance of liabilities	66,699	99,160
Change in the balance of provisions	19	-52
Other	-1,048	-1,024
Net cash flows from operating activities, before tax	11,813	-70,275
CIT paid	-3,813	-5,674
Net cash flows from operating activities	8,000	-75,949
Cash flows from investing activities		
Purchase of property, plant and equipment, and intangible assets	-35,033	-13,475
Inflows from sale of tangible and intangible assets	847	173
Outflow on account of loans granted	-167	0
Repayments of loans granted	0	2,141
Purchase of shares in investments accounted for using the equity method	-9,895	0
Interest received	782	1,068
Net cash flows from investing activities	-43,466	-10,093
Cash flows from financing activities		
Proceeds from bank and other loans	59,139	86,201
Outflows in respect of bank and other loans	-28,711	-20,718
Repayment of lease liabilities	-4,128	-3,555
Interest paid	-4,706	-2,228
Net cash flows from financing activities	21,594	59,700
Net increase/ decrease in cash and cash equivalents	-13,872	-26,342
Change in cash and cash equivalents, including:	-13,830	-26,217
Net FX differences	42	125
Cash and cash equivalents at the beginning of the period	75,875	100,363
Cash and cash equivalents at the end of the period*	62,045	74,146

*including restricted cash:

as at 31 March 2024 – none

as at 31 March 2023 – none

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

FOR 3 MONTHS ENDED 31 MARCH 2024

	Registered capital	Own shares	FX differences arising on translation of a foreign affiliate	Supplementary capital	Other reserves	Retained profit/loss carried forward	Equity attributable to the shareholders of the parent	Equity attributable to non-controlling interests	Aggregate equity
Figures in PLN thousand									
As at 1 January 2024	1,142	-28,676	-89,039	746,557	118,545	-50,603	697,926	3,152	701,078
Net profit (loss) for the period	0	0	0	0	0	19,087	19,087	165	19,252
Other net comprehensive income for the period	0	0	-1,428	0	0	0	-1,428	-1	-1,429
Total comprehensive income for the period	0	0	-1,428	0	0	19,087	17,659	164	17,823
Profit distributions	0	0	0	6	0	-6	0	0	0
Translation of a subsidiary in hyperinflationary conditions	0	0	0	0	0	538	538	0	538
Increase (decrease) in equity	0	0	-1,428	6	0	19,619	18,197	164	18,361
As at 31 March 2024	1,142	-28,676	-90,467	746,563	118,545	-30,984	716,123	3,316	719,439

FOR 3 MONTHS ENDED 31 MARCH 2023

	Principal – basic	Own shares	FX differences arising on translation of a foreign affiliate	Supplementary capital	Other reserves	Retained profit/ loss carried forward	Equity attributable to the shareholders of the parent	Equity attributable to non-controlling interests	Aggregate equity
Figures in PLN thousand									
As at 1 January 2023	1,142	-28,676	-50,358	684,627	118,545	-10,216	715,064	3,188	718,252
Net profit (loss) for the period	0	0	0	0	0	-5,057	-5,057	25	-5,032
Other net comprehensive income for the period	0	0	-1,314	0	0	0	-1,314	-56	-1,370
Total comprehensive income for the period	0	0	-1,314	0	0	-5,057	-6,371	-31	-6,402
Profit distributions	0	0	0	57	0	-57	0	0	0
Translation of a subsidiary in hyperinflationary conditions	0	0	0	0	0	7	7	0	7
Other	0	0	0	0	0	-3	-3	2	-1
Increase (decrease) in equity	0	0	-1,314	57	0	-5,110	-6,367	-29	-6,396
As at 31 March 2023	1,142	-28,676	-51,672	684,684	118,545	-15,326	708,697	3,159	711,856

2.1 General information

2.1.1 Characteristics of the Parent Company

Parent Company

The Group's parent company is Selena FM S.A. (Parent Company, Company) having its registered office at ul. Legnicka 48A in Wrocław, entered in the business register of the National Court Register kept by the District Court for Wrocław-Fabryczna, VI Commercial Division of the National Court Register under KRS no. 0000292032.

The Company was established and registered in 1993 as a limited liability company under the name Przedsiębiorstwo Budownictwa Mieszkaniowego in Wrocław. In 2006, the Extraordinary General Meeting of the Parent Company approve the renaming of the Company to Selena FM Sp. z o.o., which in 2007 was converted into a joint stock company (S.A.), as approved by the Extraordinary General Meeting on 26 September 2007. Selena FM S.A. was registered on 31 October 2007. The Company was assigned the statistical number REGON 890226440. On 18 April 2008, the Company debuted on Warsaw Stock Exchange.

Its duration is indefinite (it is a going concern). Selena FM S.A. has no branches. The Company operates in Poland.

The core business of Selena FM S.A. as the parent entity in Selena FM Group (Selena Group, Group) is distribution of the Group's products into foreign markets and into the domestic market (as a multi-distributor), and provision of advice to its subsidiaries with regard to strategic management, finance management, sales strategy and bookkeeping services. The Company is responsible for strategic management of Selena Group, which comprises the entities referred to in Note 2.1.2 to this report.

Selena FM S.A. and Selena Group are controlled by Krzysztof Domarecki.

Management Board of the Parent Company

As at 31 December 2023, the Parent Company's Management Board was composed of:

- Sławomir Majchrowski – CEO;
- Roman Dziuba – Chief Operating Officer;
- Krzysztof Ościłowicz – Chief Financial Officer;
- Michał Specjalski – Chief Product & Innovation Officer;
- Andrzej Zygadło – Chief HR Officer.

On 23 February 2024, the Company's Supervisory Board adopted a resolution appointing Walter Brattinga to the Company's Management Board as Chief Commercial Officer (CCO). The appointment became effective as of 1 March 2024.

As at 31 March 2024, the Parent Company's Management Board was composed of:

- Sławomir Majchrowski – CEO;
- Walter Brattinga – Chief Commercial Officer;
- Roman Dziuba – Chief Operating Officer;
- Krzysztof Ościłowicz – Chief Financial Officer;
- Michał Specjalski – Chief Product & Innovation Officer;
- Andrzej Zygadło – Chief HR Officer.

On 22 April 2024, Roman Dziuba resigned from the Company's Management Board and from the role of the COO effective from 22 April 2024.

In the period from 22 May 2024 to the date of publication of this report, no changes took place in the composition of the Parent Company's Management Board.

Supervisory Board of the Parent Company

As at 31 December 2023, the Company's Supervisory Board was composed of:

- Andrzej Krämer – Chairman of the Supervisory Board;
- Borysław Czyżak – independent Supervisory Board Member;
- Czesław Domarecki – Supervisory Board Member;
- Łukasz Dziekan – Supervisory Board Member;
- Mariusz Warych – independent Supervisory Board Member;
- Paweł Wyrzykowski – independent Supervisory Board Member.

In the period from 1 January 2024 to the date of publication of this report, there were no changes in the composition of the Parent Company's Supervisory Board.

2.1.2 Information about the Group

Activities of the Group

Selena Group is an international producer and distributor of construction chemicals. The Group's Parent is Selena FM S.A. of Wrocław, which on 18 April 2008 debuted on the main market of the Warsaw Stock Exchange.

The core business of the Group includes production, distribution and sale of construction chemicals and general building accessories. Selena Group's product range includes:

- construction chemicals;
- insulating chemicals;
- other product groups.

The products on offer include solutions addressed to both professionals and individual users. The Group's leading brands include Tytan, Quilosa, Artelit, COOL-R® and Matizol.

The Group's production plants are located in Poland, China, Brazil, Romania, Turkey, Spain, Portugal, Kazakhstan, South Korea, Hungary and Italy, and its products are available on the markets of nearly 100 countries in the world. Selena also carries on research activities in Poland, Romania, Turkey, Spain and Italy.

Group members

The table below shows the ownership and organizational structure of the Group and division into reportable segments. The data are presented as at 31 March 2024 and 31 December 2023.

All the companies in the table are consolidated using the full (line-by-line) method, except the associated entities Hamil-Selena Co. Ltd., Biogazownia Przybroda Sp. z o.o., PIMCO Kft, and the joint venture: House Selena Trading Company Ltd., which are consolidated using the equity method.

The "owner" column specifies the name of the owner as at 31 March 2024.

REPORTABLE SEGMENT	COUNTRY	ENTITY	REG. OFFICE	ACTIVITY	GROUP'S SHARE		OWNER 31.03.2024
					31.03.2024	31.12.2023	
Parent Company	Poland	Selena FM S.A.	Wroclaw	Group's headquarters, distributor	-	-	-
Distribution in Poland	Poland	Selena S.A.	Wroclaw	Distributor	100.00%	100.00%	FM
Production in Poland	Poland	Selena Industrial Technologies Sp. z o.o.	Dzierżoniów	Manufacturer of sealants: production management	100.00%	100.00%	FM
Western Europe	Spain	Selena Iberia slú	Madrid	Manufacturer of sealants, adhesives, distributor	100.00%	100.00%	FM
	Portugal	Imperialum-Sociedade de Revestimentos e Impermeabilizações.	Montio	Manufacturer of bituminous membranes, distributor	100.00%	100.00%	FM
	Portugal	Revestimentos Universais e do Continente, S.A	Vila Nova de Gaia	Manufacturer of bituminous membranes	100.00%	100.00%	IMP
	Italy	Uniflex S.R.L.	Mezzocorona	Manufacturer of sealants, distributor	100.00%	100.00%	FM
E.Europe and Asia	Kazakhstan	Selena CA-Селена ЦА TOO	Almaty	Distributor	100.00%	100.00%	FM
	Kazakhstan	Selena Insulations TOO	Nur-Sultan	Manufacturer of insulation systems and dry mortars	100.00%	100.00%	FM
	Kazakhstan	Selena Production Center TOO*	Shymkent	Manufacturer of insulation systems and dry mortars	100.00%	100.00%	FM
	Russia	Selena Vostok	Moscow	Distributor	99.00%	99.00%	POL
	Turkey	Selena Malzemeleri Yapi Sanayi Tic. Ltd.	Istambul	Man. of foams and sealants, distributor	100.00%	100.00%	FM
	Turkey	POLYFOAM Yalitim Sanayi ve Tic Ltd.	Istambul	Distributor	100.00%	100.00%	SA 2
Americas	Brazil	Selena Sulamericana Ltda	Curitiba	Manufacturer, distributor	100.00%	100.00%	FM 2
	Mexico	Selena Mexico S. de R.L. de C.V.	Zapopan	Distributor	100.00%	100.00%	FM 2
	USA	Selena USA, Inc.	Fort Worth	Distributor	100.00%	100.00%	FM
Other	Poland	Selena Marketing International Sp. z o.o.	Wroclaw	Intellectual property management	100.00%	100.00%	SA
	Poland	Selena Digital Distribution Sp. z o.o	Wroclaw	E-commerce	100.00%	100.00%	SA
	Poland	Selena Energv Sp. z o.o.**	Wroclaw	Making electrical systems	100.00%	100.00%	FM
	Poland	Selena Green Investments Sp. z o.o.	Wroclaw	Activities of central companies	100.00%	100.00%	FM 3
	Poland	SGI 1 Sp. z o.o.	Wroclaw	Generation of electricity	100.00%	100.00%	SGI
	Poland	Establishment of SGI 2 Sp. z o.o.	Wroclaw	Generation of electricity	94.59%	94.59%	ASI
	Poland	SGI 3 Sp. z o.o.	Wroclaw	Generation of electricity	94.59%	94.59%	ASI
	Poland	SGI 4 Sp. z o.o.	Wroclaw	Generation of gaseous fuels	94.59%	94.59%	ASI
	Poland	SGI 5 Sp. z o.o.	Wroclaw	Generation of gaseous fuels	94.59%	94.59%	ASI
	Poland	SGI 6 Sp. z o.o.	Wroclaw	Generation of electricity	94.59%	94.59%	ASI
	Poland	SGI 7 Sp. z o.o.	Wroclaw	Generation of electricity	94.59%	94.59%	ASI
	Poland	SGI 8 Sp. z o.o.	Wroclaw	Generation of gaseous fuels	94.59%	94.59%	ASI
	Poland	SGI 9 Sp. z o.o.	Wroclaw	Generation of gaseous fuels	94.59%	94.59%	ASI
	Poland	SGI 10 Sp. z o.o.	Wroclaw	Generation of electricity	94.59%	94.59%	ASI
	Poland	SGI 11 Sp. z o.o.	Wroclaw	Generation of electricity	94.59%	94.59%	ASI
	Poland	SGI 12 Sp. z o.o.	Wroclaw	Generation of electricity	94.59%	94.59%	ASI
	Poland	SGI 13 Sp. z o.o.	Wroclaw	Generation of electricity	94.59%	94.59%	ASI
	Poland	SGI Świdnica Sp. z o.o.	Wroclaw	Generation of gaseous fuels	94.59%	94.59%	ASI
	Poland	SGI Świebodzice Sp. z o.o.	Wroclaw	Generation of gaseous fuels	94.59%	94.59%	ASI
	Poland	Selena Green Investments ASI Sp. z o.o.	Wroclaw	Fund management activities	94.59%	94.59%	FM 4
	Poland	BTB Sp. z o.o.	Wroclaw	Generation of electricity	94.59%	94.59%	ASI
	Poland	Bioqazownia Przewroda Sp. z o.o.	Poznań	Generation and supply of electricity, gas	47.30%	47.30%	ASI1
	Poland	BTB Sp. z o.o.	Wroclaw	Generation of electricity	94.59%	94.59%	ASI
	Poland	Fandla Faktoring Sp. z o.o.	Wroclaw	Other service-based financial activity	100.00%	100.00%	SMI
	Poland	ONPV Sp. z o.o.	Wroclaw	Generation of electricity	85.13%	85.13%	ASI2
	Germany	Selena Deutschland GmbH	Hagen	Distributor	100.00%	100.00%	FM
	Czech Republic	Selena Bohemia s.r.o.	Praque	Distributor	100.00%	100.00%	FM
	Bulgaria	Selena Bulgaria Ltd.	Gurmazovo	Distributor	100.00%	100.00%	FM
	Romania	Selena Romania SRL	Ifov	Distributor	100.00%	100.00%	FM
	Romania	Selena Euro Maa srl	Ifov	Manufacturer of adhesives and cement mortars	100.00%	100.00%	FM
	Ukraine	Selena Ukraine Ltd.	Kiev	Distributor	100.00%	100.00%	FM 1
	Hungary	Selena Hungária Kft.	Pécs	Distributor	100.00%	100.00%	FM
	Hungary	PIMCO Kft	Szerencs	Manufacturer of glass fiber	50.00%	50.00%	FM 5
China	Weize (Shanghai) Trading Co., Ltd.	Shanghai	Distributor	100.00%	100.00%	FM	
China	Selena Nantong Building Materials Co., Ltd.	Nantong	Manufacturer, distributor	100.00%	100.00%	FM	
China	Foshan Chinuri-Selena Chemical Co.	Foshan	Manufacturer of sealants, distributor	84.57%	84.57%	SA 1	
China	House Selena Trading Co.Ltd	Shanghai	Distributor	40.00%	40.00%	NAN	
United Arab	Selena Gulf Building Materials LLC	Dubai	Distributor	100.00%	100.00%	FM	
S.Korea	Hamil - Selena Co. Ltd	Kimhae	Manufacturer of foams	30.00%	30.00%	SA 3	

Explanations to the “Owner” column

FM – 100% shares owned by Selena FM (SFM)

FM 1 – shares owned by Selena FM (99%) and Selena S.A. (1%)

FM 2 – shares owned by Selena FM (95%) and Selena S.A. (5%)

FM 3 – shares owned by Selena FM (95%) and Selena ESG (5%)

FM 4 – shares owned by SFM (94.59%), other shares are owned by Krzysztof Domarecki (5.41%)

FM 5 – shares owned by Selena FM (50%) with other shares (50%) outside the Group

SGI – 100% shares owned by Selena Green Investments

ASI1 – 50% shares are owned by Selena Green Investments ASI Sp. z o.o.; the remaining shares are outside the Group

ASI2 – 90% shares are owned by Selena Green Investments ASI Sp. z o.o.; the remaining shares are outside the Group

SA – 100% shares owned by Selena S.A.

SA 1 – shares owned by Selena S.A., the remaining shares are held outside of the Group

SA 2 – shares owned by Selena S.A. (85%) and Selena Malzemeleri (15%)

SA 3 – associate – shares owned by Selena S.A.

NAN – joint venture – owned by Selena Nantong Building Materials

POL – the owner of 99% of shares is POLYFOAM; the remaining shares are outside the Group

SGI – 100% shares owned by Selena Green Investments ASI Sp. z o.o.;

IMP – 100% shares are owned by Imperialum–Sociedade de Revestimentos e Impermeabilizações, S.A.

SMI – 100% shares owned by Selena Marketing International Sp. z o.o.

** on 22 February 2024, a resolution was passed to liquidate the company; the liquidation procedure is in progress*

*** On 25 March 2024, Selena ESG Sp. z o.o. was renamed as Selena Energy Sp. z o.o.*

Changes in the Group composition

In the period from 1 January 2024 to the date of publication of this quarterly report, there were no changes in the composition of the Group.

2.1.3 Information about the financial statements

Interim report

The interim condensed consolidated financial statements do not contain all the information and disclosures required of annual financial statements and should be read jointly with the Group's annual consolidated financial statements for the year ended 31 December 2023 published on 17 April 2023. The interim condensed financial result may not fully reflect the consolidated financial result achievable for the whole financial year.

Period covered by the financial statements

These financial statements are interim condensed consolidated financial statements of Selena FM Group. They cover the period of 3 months ended 31 March 2024 and data as at that date.

The consolidated income statement and the consolidated statement of comprehensive income cover the period of 3 months ended 31 March 2024, and the comparative data presented as at 31 March 2023. These data were not audited/reviewed by an auditor.

The consolidated statement of cash flows and the consolidated statement of changes in equity cover the data for the three months ended 31 March 2024 as well as comparative data for the period of 3 months ended 31 March 2023.

The consolidated statement of financial position covers the data presented as at 31 March 2024, and comparative data as at 31 December 2023.

Notes

The notes are an integral part of these interim condensed consolidated financial statements.

Audit and review of financial statements

These interim condensed consolidated financial statements were not audited or reviewed by a statutory auditor.

Approval of the report

These interim condensed consolidated financial statements were approved by the Management Board of the Parent Company on 28 May 2024 to be published on 29 May 2024.

Measurement and reporting currency

The currency used for measurement and presentation of financials in this interim condensed consolidated financial statements is Polish zloty, and all figures have been presented in PLN thousand, unless specified otherwise.

The rates used for measurement of balance sheet items and the average rates for the individual reporting periods are presented in the table below.

Ccy	As at 31.03.2024	As at 31.12.2023	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
1 USD	3.9886	3.9350	3.9941	4.1823
1 EUR	4.3009	4.3480	4.3211	4.5284
100 HUF	1.0922	1.1359	1.1056	1.1903
1 UAH	0.1023	0.1037	0.1046	0.1153
1 CZK	0.1700	0.1759	0.1719	0.1889
1 RUB	0.0430	0.0427	0.0437	0.0496
1 BRL	0.7953	0.8110	0.8024	0.8399
1 BGN	2.1990	2.2231	2.2093	2.3153
1 CNY	0.5524	0.5534	0.5549	0.5902
100 KRW	0.2960	0.3027	0.2983	0.3189
1 RON	0.8655	0.8742	0.8691	0.9145
1 TRY	0.1237	0.1337	0.1278	0.1791
100 KZT	0.8864	0.8605	0.8892	0.9144
1 MXN	0.2406	0.2323	0.2360	0.2376

Going concern

At the date of approval of this quarterly report, no circumstances occurred that would point to a risk to continuity of operations. The Management Board of Selena FM S.A. analyzes and monitors the situation in Ukraine on the Parent Company's ability to continue as a going concern. As at the date of publication of this quarterly report, Selena Group has a stable financial position, and its cash flow forecasts point to its ability to maintain its cash position at a level sufficient to continue as a going concern. Accordingly, these interim condensed consolidated financial statements have been prepared on the assumption that the Group will continue in operation in the foreseeable future.

Basis of preparation

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 – “Interim Reporting”, as approved by the EU.

IAS and IFRS include the standards and interpretations approved by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (IFRIC).

2.1.4 Accounting policies

The accounting policies that were used in preparation of these interim condensed consolidated financial statements are consistent with the policies used in preparation of the consolidated financial statements of Selena Group for the year ended 31 December 2023, with the exception of using new or amended standards and interpretations for the annual periods beginning on or after 1 January 2024.

In addition, subsidiaries operating in an economy considered hyperinflationary (Turkey) restated their financial data, taking into account the change in purchasing power, based on the general price index, so that they were expressed in terms of the measurement units in force at the end of the reporting period. The impact of hyperinflation on the consolidated financial statements is described below.

The assessment of whether the Group's companies operate in hyperinflationary economies is based on qualitative and quantitative factors. In Turkey, where two Selena Group companies operate, significant monthly inflation increases have been recorded from December 2021 to the present, which resulted in three-year cumulative inflation rates exceeding 100 percent in April 2022. Moreover, qualitative hyperinflation indicators are noted in Turkey. For this reason, the Group has recognized Turkey as a hyperinflationary economy, and the

operations of the Turkish subsidiaries were covered by the application of IAS 29 Financial Reporting in Hyperinflationary Economies, retrospectively from 1 January 2022, as if the Turkish economy had always been hyperinflationary. The financial data of subsidiaries whose functional currency is Turkish lira were also restated, taking into account the change in purchasing power based on the Consumer Price Index (CPI), so that they were expressed in the measurement units applicable at the end of the reporting period.

Accordingly, the non-monetary balance sheet items and the profit and loss account have been restated to reflect the purchasing power as at the balance sheet date. Monetary items such as cash, receivables, liabilities, bank debt, etc. already reflect the purchasing power at the closing date because these items are composed of balances, receivables or liabilities in the corresponding monetary units. IAS 29, in conjunction with IAS 21 on currency translation, also requires that all transactions in the exchange rate of a hyperinflationary economy, i.e. Turkish lira (TRY) should be converted into the Group's presentation currency, i.e. Polish zloty (PLN), using the exchange rate applicable at the balance sheet date. For this reason, all transactions in Turkey have been converted into PLN using the exchange rate as of 31 March 2024, while the Group usually translates transactions in the income statement at the average exchange rate for the reporting period. The cumulative effect of applying IAS 29 as at 1 January 2024 was recognized in the Group's other comprehensive income.

The basis of hyperinflation-related restatements

Price index:

The hyperinflationary restatement of the financial data of the subsidiaries operating in Turkey is based on the officially available data on changes in the consumer price index (CPI) published by the Turkish Statistical Institute. Based on this index, inflation was 15% for the 3 months ended 31 March 2024.

The individual inflation rates are presented in the table below:

Inflation rate for individual periods	
March 2024–December 2023	15%
March 2024–March 2023	68%
March 2023–December 2022	13%
December 2023–December 2022	65%
Cumulative 3-year inflation rate	
March 2024–March 2020	375%
December 2023–December 2020	268%

FX rate

All financial data on the activities of the subsidiaries in Turkey, both in the balance sheet and in the profit and loss account, are translated into the Group's presentation currency (PLN) using the TRY/PLN exchange rate applicable at the balance sheet date, contrary to the Group's customary practice of translating the income statement using the average exchange rate for the reporting period. As at 31 March 2024, the TRY rate was PLN 0.1237.

Assumptions about the method and timing hyperinflation-related restatement

1) Hyperinflationary restatements in the local currency:

a) The Group has analyzed the balance sheet items of the subsidiaries in Turkey and divided them into monetary and non-monetary assets/ liabilities. Monetary items were not restated as they are already denominated in the units in force at the end of the reporting period.

b) Significant non-monetary items in the Turkish subsidiaries include property, plant and equipment, right-of-use assets, and inventories. The right-of-use assets have not been additionally remeasured because they are periodically indexed by the inflation rate. Other non-monetary items have been restated to reflect the effects of inflation based on changes in the price index from the initial recognition to 31 March 2024 or to the date of sale. The restatements were effected as of the date of the initial recognition of the items in the balance sheet, but not earlier than on the date of acquisition of the subsidiaries by the Group, as it is assumed that non-monetary items were then converted and recognized in the consolidated financial statements at fair value, reflecting the purchasing power as at the acquisition date. The restatement significantly increased the value of property, plant and equipment. The restatement also led to higher costs in the income statement in the form of higher depreciation/ amortization charges due to the restated gross value of property, plant and equipment.

c) The equity of the Turkish subsidiaries has been restated to account for the effects of inflation based on changes in the price index in Q1 2024 to reflect the purchasing power as at the balance sheet date. The effects of the remeasurement of equity based on changes in the price index were recognized in the financial income under the heading: *Result on translation of subsidiaries in hyperinflationary conditions*, and in equity under *Retained earnings*.

d) All income statement transactions for the 3 month period ended 31 March 2024 have been restated to reflect changes in the price index from the month recognized in the income statement to 31 March except for depreciation of items of property, plant and equipment, which were translated based on the adjusted gross value of those assets. The recalculation of depreciation is based on the normal useful lives of the relevant assets. The conversion of the income statement by the inflation rate resulted in an increase in the value of individual items of the income statement in the local currency due to changes in the price index from the recognition date to 31 March 2024.

e) The effects of the restatement of the income statement and the balance sheet for inflation in the current reporting period have been included on the other side of the balance sheet in financial costs under the heading: *Result on translation of subsidiaries in hyperinflationary conditions*. Restatement of balance sheet items by inflation from the moment of their initial recognition until the end of 2021 was recognized on the other side of the balance sheet in equity under *Retained earnings*.

2) Conversion of financial data into the Group's presentation currency:

a) Following the inflationary restatement in the local currency, the financial statements of the subsidiaries operating in Turkey have been converted into PLN by translating the balance sheet and all items of the income statement in the reporting period using the TRY/PLN exchange rate as at the balance sheet date. As at 31 March 2024, the TRY rate was PLN 0.1237.

3) Recognition time

a) IAS 29 was implemented by the Group on 1 January 2022, and the hyperinflationary restatements were included for the first time in the interim condensed consolidated financial statements for the year ended 30 June 2022.

b) As three-year inflation rates cumulatively exceeded 100 percent in April 2022, the published data for Q1 2022 have not changed.

The impact of applying IAS 29 on the consolidated financial statements for the three quarters of Q1 2024 is summarized below:

Impact of the application of IAS 29 on the consolidated financial statements for the 3 months ended 31 March 2024

ITEMS OF CONSOLIDATED ASSETS AND LIABILITIES

Figures in PLN thousand	As at 31.03.2024 without the impact of IAS 29	Impact of hyperinflation	As at 31.03.2024 in accordance with IAS 29
ASSETS			
Property, plant and equipment	399,128	4,585	403,713
Intangible assets	50,773	0	50,773
Investments accounted for using the equity method	62,682	0	62,682
Deferred tax assets	63,099	0	63,099
Other long-term financial assets	40,115	0	40,115
Total non-current assets	615,797	4,585	620,382
Inventories	235,846	766	236,612
Other short-term non-financial assets	90,560	0	90,560
Trade and other receivables	353,951	0	353,951
CIT claimed	10,847	0	10,847
Other short-term financial assets	11,817	0	11,817
Cash and cash equivalents	62,045	0	62,045
Total current assets	765,066	766	765,832
TOTAL ASSETS	1,380,863	5,351	1,386,214
LIABILITIES AND EQUITY			
Registered capital	1,142	0	1,142
Own shares	-28,676	0	-28,676
FX differences arising on translation of the foreign associate	-90,467	0	-90,467
Supplementary capital	746,563	0	746,563
Other reserves	118,545	0	118,545
Retained profit/ loss carried forward	-36,335	5,351	-30,984
Equity attributable to the shareholders of the parent	710,772	5,351	716,123
Non-controlling interests	3,316	0	3,316
Total equity	714,088	5,351	719,439
Long-term portion of bank and other loans	25,131	0	25,131
Long term lease liabilities	55,786	0	55,786
Deferred tax liability	9,647	0	9,647
Other long term non-financial liabilities	3,804	0	3,804
Long-term provisions	6,388	0	6,388
Long-term liabilities	100,756	0	100,756
Trade and other liabilities	268,180	0	268,180
Obligations to return remuneration	25,844	0	25,844
Contract obligations/ Performance obligations	5,319	0	5,319
Short-term portion of bank and other loans	168,156	0	168,156
Short-term lease liabilities	15,141	0	15,141
Other short term financial liabilities	1,729	0	1,729
CIT tax payable	10,493	0	10,493
Other short term non-financial liabilities	69,004	0	69,004
Short-term provisions	2,153	0	2,153
Short-term liabilities	566,019	0	566,019
Total liabilities	666,775	0	666,775
TOTAL LIABILITIES AND EQUITY	1,380,863	5,351	1,386,214

ITEMS OF THE CONSOLIDATED INCOME STATEMENT

Figures in PLN thousand	from 01.01.2024 to 31.03.2024 without the impact of IAS 29	Impact of hyperinflation	from 01.01.2024 to 31.03.2024 in accordance with IAS 29
Continued operations			
Revenue from the sale of products	351,733	505	352,238
Revenue from the sale of goods and raw materials	42,443	0	42,443
Revenue from the sale of services	5,577	0	5,577
Revenue from contracts with customers	399,753	505	400,258
Cost of sales	264,438	417	264,855
Gross profit	135,315	88	135,403
Selling and marketing costs	71,059	70	71,129
General and administrative expenses	36,121	29	36,150
Other operating income	1,209	0	1,209
Other operating costs	1,629	16	1,645
Impairment of financial assets	182	0	182
Operating profit	27,533	-27	27,506
Financial income	10,329	0	10,329
Financial costs	14,867	-937	13,930
Impairment of loans granted	0	0	0
Share in net profit/loss of the associate	650	0	650
Profit before tax	23,645	910	24,555
Income tax	5,303	0	5,303
Net profit on continued operations	18,342	910	19,252
Profit (loss) on discontinued operations	0	0	0
Net profit for the period	18,342	910	19,252
Net profit attributable to:			
– shareholders of the parent	18,177	910	19,087
– non-controlling interests	165	0	165
Earnings per share attributable to the shareholders of the parent			
	(PLN/share)	(PLN/share)	(PLN/share)
– basic, including:	0.80	0.04	0.84
<i>on continued operations</i>	<i>0.80</i>	<i>0.04</i>	<i>0.84</i>
<i>on discontinued operations</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
– diluted, including:	0.80	0.04	0.84
<i>on continued operations</i>	<i>0.80</i>	<i>0.04</i>	<i>0.84</i>
<i>on discontinued operations</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>

ITEMS OF THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Figures in PLN thousand	from 01.01.2024 to 31.03.2024 without the impact of IAS 29	Impact of hyperinflation	from 01.01.2024 to 31.03.2024 in accordance with IAS 29
Net profit	18,342	910	19,252
FX differences arising on translation of the foreign associate	-1,726	0	-1,726
Other comprehensive income subject to reclassification to profit or loss, before tax	-1,726	0	-1,726
Other comprehensive income, before tax	-1,726	0	-1,726
Income tax related to foreign exchange differences on translation	297	0	297
Income tax related to components of comprehensive income that are reclassified to profit or loss	297	0	297
Other comprehensive income for the period, after tax	-1,429	0	-1,429
Total comprehensive income	16,913	910	17,823
Attributable to:			
– shareholders of the parent	16,749	910	17,659
– non-controlling interests	164	0	164

2.2 Operating segments

The organization structure of Selena FM Group is managed through the data received from the individual subsidiaries, later on referred to as operating segments. To the extent permitted by IFRS 8 (e.g. subject to the combination criteria in relation to the following aspects: similarity of long-term gross margin and economic properties, type of products and services, type of production processes, type or group customers for products and services, methods used in the distribution of products and the type of regulatory environment), they are aggregated into the following reportable segments:

- Parent Company
- Distribution in Poland
- Production in Poland
- Western Europe
- Eastern Europe and Asia
- Americas
- Other

Detailed allocation of operating segments to reportable segments is presented in Note 2.2.

Operating results of the segment are primarily measured using the net profit/loss and EBITDA ratio (an alternative measurement of results, which does not measure cash or liquidity and whose calculation may vary from one entity to another), which result directly from reports that are the basis for preparation of the interim condensed consolidated financial statements. EBITDA is calculated according to the following formula:

$$\text{EBITDA} = \text{Net profit/ loss} + \text{Income tax} \pm \text{share in the profit/loss of the affiliate} \pm \text{financial costs/income} + \text{Depreciation/amortization}$$

The accounting principles used for preparation of the financial data for reporting segments comply with the Group's accounting policy. The financial statements of the entire Group are regularly reviewed by the Management Board of the Parent Company for the purpose of decision-making. The Management Board is also responsible for allocation of resources in the Group. Revenues are allocated to segments based on the seller's registered office location.

Management of the Group's funding sources, financial revenues and expenses management and the taxation policy are operated at the Group level and are not allocated to operating segments.

The profit of a segment is the profit generated by the individual segments without allocation of the administrative expenses, Management Board's remuneration, finance income and expenses, and income tax charge.

Non-allocated assets include settlements on account of current and deferred income tax.

Prices in the transactions between the operating segments are determined on an arm's length principle as in the transactions with third parties.

Revenue from the sale of products, broken down into individual product groups, are presented below.

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Construction chemicals	290,041	301,669
Insulating chemicals	52,389	38,960
Other	9,808	30,766
Total revenue from the sale of products	352,238	371,395

The tables below show data on the revenues and profits of the individual reporting segments for the 3 months ended 31 March 2024 and 2023.

from 01.01.2024 to 31.03.2024	Parent Company	Production in Poland	Distribution in Poland	Western Europe	Eastern Europe and Asia	Americas	Other	Total segments	Consolid. adjustments and non-allocated results*	Total
Figures in PLN thousand										
Sales to external customers	39,178	14,425	75,131	120,818	88,185	28,371	34,150	400,258	0	400,258
Sales between segments	174,241	150,529	1,169	2,698	527	0	1,954	331,118	-331,118	0
EBITDA	32,907	15,752	8,368	15,769	5,524	3,747	1,459	83,526	-45,418	38,108
Depreciation/ amortization	-426	-2,577	-1,512	-1,665	-557	-25	-435	-7,197	-3,405	-10,602
Operating profit (loss)	32,481	13,175	6,856	14,104	4,967	3,722	1,024	76,329	-48,823	27,506
Net financial income/ (costs)	0	0	0	0	0	0	0	0	-3,601	-3,601
Share in profit of the associate	0	0	0	0	0	0	650	650	0	650
Income tax	0	0	0	0	0	0	0	0	-5,303	-5,303
Net profit (loss) for the period	32,481	13,175	6,856	14,104	4,967	3,722	1,674	76,979	-57,727	19,252
Capital expenditure	192	4,642	306	1,061	855	0	10,356	17,412		17,412

* consolidation adjustments, general and administrative expenses, result on financial activities and income tax

from 01.01.2023 to 31.03.2023	Parent Company	Production in Poland	Distribution in Poland	Western Europe	Eastern Europe and Asia	Americas	Other	Total segments	Consolid. adjustments and non-allocated results*	Total
Figures in PLN thousand										
Sales to external customers	50,220	1,775	83,145	114,553	95,670	31,886	34,948	412,197	0	412,197
Sales between segments	190,263	205,863	130	5,660	509	52	3,889	406,366	-406,366	0
EBITDA	10,221	24,450	2,701	6,489	8,485	693	3,342	56,381	-46,432	9,949
Depreciation/ amortization	-460	-2,261	-929	-1,364	-562	-25	-564	-6,165	-3,368	-9,533
Operating profit (loss)	9,761	22,189	1,772	5,125	7,923	668	2,778	50,216	-49,800	416
Net financial income/ (costs)	0	0	0	0	0	0	0	0	-5,369	-5,369
Share in profit of the associate	0	0	0	0	0	0	740	740	0	740
Income tax	0	0	0	0	0	0	0	0	-819	-819
Net profit (loss) for the period	9,761	22,189	1,772	5,125	7,923	668	3,518	50,956	-55,988	-5,032
Capital expenditure	379	3,139	66	624	746	48	7,114	12,116		12,116

* consolidation adjustments, general and administrative expenses, result on financial activities and income tax

The tables below show data on assets allocated to individual reportable segments as at 31 March 2024 and 31 December 2023.

as at 31.03.2024	Parent Company	Production in Poland	Distribution in Poland	Western Europe	Eastern Europe and Asia	Americas	Other	Total segments	Consolid. adjustments and non-allocated results*	Total
Figures in PLN thousand										
Segment assets	922,324	336,431	132,521	330,145	232,738	55,202	363,698	2,373,059	-1,123,473	1,249,586
Investment in the associate	0	0	0	0	0	0	62,682	62,682	0	62,682
Non-allocated assets	0	0	0	0	0	0	0	0	73,946	73,946
Total assets	922,324	336,431	132,521	330,145	232,738	55,202	426,380	2,435,741	-1,049,527	1,386,214

*Consolidation adjustments and settlements on account of current and deferred income tax.

as at 31.12.2023	Parent Company	Production in Poland	Distribution in Poland	Western Europe	Eastern Europe and Asia	Americas	Other	Total segments	Consolid. adjustments and non-allocated results*	Total
Figures in PLN thousand										
Segment assets	851,008	300,155	111,372	313,840	216,832	52,850	367,964	2,214,021	-1,050,156	1,163,865
Investment in the associate	0	0	0	0	0	0	51,271	51,271	0	51,271
Non-allocated assets	0	0	0	0	0	0	0	0	70,838	70,838
Total assets	851,008	300,155	111,372	313,840	216,832	52,850	419,235	2,265,292	-979,318	1,285,974

*Consolidation adjustments and settlements on account of current and deferred income tax.

The tables below show data on liabilities allocated to individual reportable segments as at 31 March 2024 and 31 December 2023.

as at 31.03.2024	Parent Company	Production in Poland	Distribution in Poland	Western Europe	Eastern Europe and Asia	Americas	Other	Total segments	Consolid. adjustments and non-allocated results*	Total
Figures in PLN thousand										
Segment liabilities	387,517	165,923	71,333	237,837	183,587	92,933	175,493	1,314,623	-667,988	646,635
Non-allocated liabilities	0	0	0	0	0	0	0	0	20,140	20,140
Total liabilities	387,517	165,923	71,333	237,837	183,587	92,933	175,493	1,314,623	-647,848	666,775

*Consolidation adjustments and settlements on account of current and deferred income tax.

as at 31.12.2023	Parent Company	Production in Poland	Distribution in Poland	Western Europe	Eastern Europe and Asia	Americas	Other	Total segments	Consolid. adjustments and non-allocated results*	Total
Figures in PLN thousand										
Segment liabilities	333,286	132,814	56,053	227,666	163,806	90,489	225,710	1,229,824	-660,924	568,900
Non-allocated liabilities	0	0	0	0	0	0	0	0	15,996	15,996
Total liabilities	333,286	132,814	56,053	227,666	163,806	90,489	225,710	1,229,824	-644,928	584,896

*Consolidation adjustments and settlements on account of current and deferred income tax.

2.3 Notes to the consolidated income statement

2.3.1 Other operating income and operating costs

Other operating income

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Profit from disposal of non-financial fixed assets	302	0
Grants	141	100
Damages	316	525
Provisions released	55	0
Reimbursement of overpaid social insurance fees	0	65
Other	395	567
Total other operating income	1,209	1,257

Other operating costs

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Loss on disposal of non-financial fixed assets	0	360
Damages, penalties, fines	409	28
Provisions raised	206	576
Donations made	316	15
Other	714	245
Total other operating costs	1,645	1,224

Impairment of financial assets

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Recognition of an impairment allowance on receivables	712	1,574
Reversal of an impairment allowance on receivables	-614	-383
Writing off uncollectible debts previously written down	84	369
Impairment of financial assets	182	1,560

2.3.2 Financial income and costs

Financial income

Figures in PLN thousand	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.03.2023
FX gains	8,324	1,728
Interest on deposits and bank accounts	52	279
On loans granted	938	1,103
Other interest	139	254
Derivative financial instruments	0	1,511
Translation of a subsidiary in hyperinflationary conditions.	801	1,068
Other financial income	75	1
Total financial income	10,329	5,944

Financial costs

Figures in PLN thousand	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.03.2023
FX losses	6,191	7,400
Interest on bank and other loans	4,299	1,954
Interest on leases	1,221	728
Other interest	1,240	980
Derivative financial instruments	682	0
Other financial costs	297	251
Total financial costs	13,930	11,313

2.4 Taxation

Tax charge

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Current income tax:		
Income tax for the current period	8,200	5,861
Corrections to the current income tax from previous years	-154	18
Deferred income tax:		
Connected with origination and reversal of temporary differences	-2,743	-5,060
Tax disclosed in consolidated income statement	5,303	819

2.5 Notes to the consolidated statement of financial position

2.5.1 Financial instruments

Financial instruments held the Group are classified below.

Figures in PLN thousand	As at 31.03.2024	As at 31.12.2023
Financial assets measured at amortized cost		
<i>Trade receivables</i>	346,094	289,168
<i>Settlements with customers on account of credit card payments</i>	3,927	8,715
<i>Promissory notes, cheques</i>	3,790	0
<i>Investment receivables</i>	140	189
Trade and other receivables	353,951	298,072
<i>Loans granted</i>	39,214	39,047
<i>Other</i>	82	84
Total other long term financial assets measured at amortized cost	39,296	39,131
<i>Loans granted</i>	4,717	4,561
<i>Security deposits</i>	499	441
<i>Dividends payable</i>	1,776	0
<i>Other</i>	4,825	3,860
Total other short term financial assets measured at amortized cost	11,817	8,862
Cash and cash equivalents	62,045	75,875
Financial assets measured at fair value through profit and loss		
Other short-term financial assets – forward contracts	0	1,261
Financial assets measured at fair value through other comprehensive income		
Other long-term financial assets – shares in non-listed companies	819	819
Total	467,928	424,020

Figures in PLN thousand	As at 31.03.2024	As at 31.12.2023
Financial liabilities measured at amortized cost		
<i>Bank and other loans</i>	193,287	162,747
<i>Lease liabilities</i>	70,927	73,298
Total interest-bearing debt	264,214	236,045
<i>Trade liabilities</i>	264,660	203,434
<i>Investment liabilities</i>	3,520	20,850
Trade and other liabilities	268,180	224,284
<i>Security deposits</i>	1,423	1,652
<i>Other short term financial liabilities (not specified above)</i>	53	44
Other short term financial liabilities (not specified above)	1,476	1,696
Financial liabilities measured at fair value through profit or loss		
Other short-term liabilities – forward contracts	253	0
Total	534,123	462,025

The Group's exposure to various risk types related to financial instruments is discussed in Note 2.6.2. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets listed above. Fair value of financial instruments that Selena Group held as at 31 March 2024 and 31 December 2023 was not materially different from the values presented in the financial statements:

- with regard to short-term instruments, the potential effect of the discount is not material;
- the instruments relate to the transactions concluded on market terms.

Bank and other loans

The incurred bank loans are presented in the table below

Ref.	Loan type	Maturity date	As at 31.03.2024		As at 31.12.2023	
			Long-term portion	Short-term portion	Long-term portion	Short-term portion
1	Working capital loan	2024	0	115,632	0	77,768
2	Working capital loan	2025	1,187	0	5,831	0
3	Non-renewable loan	2024	0	24,000	0	24,000
4	Investment loan	2033	12,171	0	12,500	0
5	Other	2024-2029	11,773	28,524	10,832	31,816
Total in PLN thousand			25,131	168,156	29,163	133,584

Credit agreement terms

As part of the loan agreements signed by the Parent Company separately or jointly with its subsidiaries, Selena FM S.A. undertook to maintain certain financial ratios at the levels agreed with banks. As at 31 March 2024, Selena Group maintained the consolidated financial ratios at the levels required by the lenders, i.e. net debt/EBITDA and the capital ratio (equity to total assets).

2.5.2 Non-financial assets and liabilities

Inventories

Figures in PLN thousand	As at 31.03.2024	As at 31.12.2023
Raw materials	74,511	59,382
Work in progress	6,568	6,892
Finished goods	117,994	106,203
Goods	37,539	30,396
Total inventories, net	236,612	202,873
Impairment allowance on inventories	8,751	9,815
Total inventories, gross	245,363	212,688

Changes in the impairment allowance for inventories are presented in the table below.

Figures in PLN thousand	from 01.01.2024 to 31.12.2024	from 01.01.2023 to 31.03.2023
Impairment allowance on inventories at the beginning of the period	9,815	11,368
Recognition of impairment allowance on inventories	1,906	817
Reversal of impairment allowance on inventories	-2,745	-2,326
Utilization of impairment allowance on inventories	-174	-72
FX differences arising on translation	-51	-52
Impairment allowance on inventories at the end of the period	8,751	9,735

Provisions

The table below shows changes in the balance of provisions.

Figures in PLN thousand	from 01.01.2024 to 31.03.2024			from 01.01.2023 to 31.12.2023		
	Provision for retirement benefits	Other provisions	Total	Provision for retirement benefits	Other provisions	Total
Long term						
Balance at the beginning of the period	5,209	1,288	6,497	4,658	1,145	5,803
Provisions raised	85	28	113	1,089	116	1,205
Purchase of shares in a subsidiary	0	0	0	0	77	77
Provisions released	0	0	0	-67	0	-67
Provisions used	-171	0	-171	-277	0	-277
FX differences	-28	-23	-51	-194	-50	-244
Balance at the end of the period	5,095	1,293	6,388	5,209	1,288	6,497
Short term						
Balance at the beginning of the period	0	2,025	2,025	0	2,320	2,320
Provisions raised	0	198	198	0	149	149
Provisions released	0	-55	-55	0	-128	-128
Provisions used	0	0	0	0	-130	-130
FX differences	0	-15	-15	0	-336	-336
Reclassification	0	0	0	0	150	150
Balance at the end of the period	0	2,153	2,153	0	2,025	2,025

2.6 Risk

2.6.1 Important estimates and assumptions

Preparation of financial statements in accordance with IFRS approved by the EU requires making accounting estimates and assumptions with regard to the future events or uncertainties existing at the balance sheet date. The Management Board also uses a professional judgment when applying the Group's accounting policy. The estimates and assumptions give rise to the risk of possible corrections to the balance sheet assets and equity & liabilities in the next reporting periods.

The adopted estimates, assumptions and judgments include in particular:

- Impairment of financial assets;
- Impairment of non-financial assets (including: goodwill, tangible assets and intangible assets);
- Estimated useful life of tangible and intangible assets;
- Ability to realize the deferred tax assets;
- Uncertainty of estimates and judgments made in relation to lease accounting;
- Estimation of the pension provision and other provisions.

In Q1 2024, no significant changes were made to the assumption areas or methods. The business and macroeconomic assumptions underlying the estimates and judgements are updated on an ongoing basis depending on changes in the environment of the Parent Company and the Group companies, and business plans and projections.

Impact of the situation in Ukraine on the operations of Selena Group

The Management Board of Selena FM S.A. is constantly monitoring and analyzing the implications of the situation in Ukraine for the business activities of Selena Group. No significant impact of the situation on Selena Group's performance in Q1 2024 has been identified.

Due to the high uncertainty as to how the events in Ukraine will unfold, and also taking into account the growing inflation and interest rates, the Management Board of Selena FM S.A. has considered possible development scenarios and took preventive measures against the occurrence of negative effects on the operations of Selena's companies in Eastern Europe. The sanctions introduced so far have not had a negative impact on supply chains. There were also no significant cash flow problems.

Value of inventory

As at 31 March 2024, the value of inventories of goods at the companies based in the region affected by geopolitical risk was PLN 41 million. At the date of approval of these consolidated financial statements, the inventories are neither damaged or expired.

Expected credit loss of trade receivables

As at 31 March 2024, the amount of receivables from customers of non-related companies from the above region affected by the potential geopolitical risk was PLN 24 million. As the amounts due are paid on schedule by clients, no additional impairment loss was recognized in the consolidated income statement for Q1 2024.

2.6.2 Financial risk management

When analyzing the goals and rules of financial risk management in the Group, the Management Board considers the following factors:

- specific nature of the sector and its typical transactions and connection with the Group's external environment;
- location of the individual entities and the resulting operating, financial, business, legal and tax implications;
- distribution of operating and management roles between the Group companies
- planned growth of the Group companies and the related demand for capital;
- the Group's micro and macroeconomic environment.

On the basis of the analysis of these factors, the Management Board considers the following financial risks:

- FX risk;
- interest rate risk;
- credit risk;
- liquidity risk;
- other (specific risks).

In Q1 2024, no significant changes occurred to the rules and tools used for financial risk management.

The table below presents the Management Board's approach to individual types of financial risk.

Risk	Exposure	Measurement	Management
Market risk – currency rates	Future commercial transactions Financial assets and liabilities not denominated in the national currency (PLN)	Cash flow projections Sensitivity analysis	Forward transactions Multi-currency credit lines
Market risk – interest rates	Bank and other loans Cash	Sensitivity analysis	Short-term exposure
Credit risk	Cash and cash equivalents Other short-term financial assets (cheques) Trade receivables and other financial receivables Shares in other entities	Exposure aging Use of internal and external information to assess the probability of default	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Bank and other loans Lease liabilities Other financial liabilities Trade liabilities	Cash flow projections	Availability of committed credit lines

Currency risk

For the purpose of risk analysis, currency risk is defined as a risk of volatility of the future cash flows denominated in other currencies than the Selena Group's functional currency as a result of FX fluctuations. In the case of the Group, the risk arises from the fact that a major portion of the transactions is conducted beyond Poland and settled in other currencies than the functional currency. In consequence, the FX fluctuations affect the cash flows, expressed in the functional currency, generated by the Group companies (both on the income and cost side) and the open balance sheet positions (net assets) expressed in foreign currency.

The Group's exposure to currency risk includes current assets and liabilities exposed to fluctuations in the following currencies: EUR, USD, HUF, UAH, CZK, BRL, BGN, CNY, KRW, GBP, CHF, CAD, BYN, RUB, RON, KZT, TRY. Selena Group uses selected financial instruments (mainly forward transactions) to hedge the value of future cash flows denominated in foreign currencies and the net asset value of its foreign operations. Selena Group hedges the active part of its currency exposures relating to trade receivables and liabilities, i.e. those that can actually be realized over 12 months. Selena Group also hedges currency exposure by using multi-currency credit lines and external financing in the currencies of local subsidiaries.

Interest rate risk

For the purpose of risk analysis, interest rate risk is defined as a risk of fluctuations in the fair value of the future cash flows as a result of changes in the market interest rates. In the case of the Group the risk applies mainly to the bank and other loans, leases and interest-earning financial assets held by the Group companies (mainly cash).

The deposits opened by the Group companies are short-term in nature, therefore they reflect the current market conditions, but they also decrease the risk of volatility of future cash flows from interest.

As a rule, Selena Group does not use hedging instruments to protect itself from changes in the market interest rates.

Credit risk

Due the nature and size of its business, the Group's credit risk is subject to regular analysis for all the subsidiaries forming part of the Group. Selena Group enters into trading transactions with the companies that demonstrate a strong credit worthiness. The customers who are allowed trade credit are vetted depending on the nature and extent of the relationship. As a result, each client has an individually calculated credit limit and payment terms. Selena Group companies regularly monitor the value and age structure of receivables and take collection measures to mitigate credit risk. Furthermore, selected companies of the Group entered into an agreement Atradius Credit Insurance N.V.S.A. to insure their trade receivables.

The Group recognizes expected credit losses on trade receivables and other financial receivables in accordance with IFRS 9. Changes in impairment allowances on trade and other receivables alongside comparative data are presented in the table below:

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Allowance for expected credit loss at the beginning of the period	25,969	26,809
<i>trade receivables</i>	24,086	24,374
<i>other financial receivables</i>	1,883	2,435
Recognized/ reversed (-)	98	1,191
<i>trade receivables</i>	98	1,193
<i>other financial receivables</i>	0	-2
Acquisition of a subsidiary	0	-1,188
<i>trade receivables</i>	0	-1,188
Utilized	0	-132
<i>trade receivables</i>	0	-126
<i>other financial receivables</i>	0	-6
FX differences arising on conversion of foreign affiliates	-92	0
<i>trade receivables</i>	-75	0
<i>other financial receivables</i>	-17	0
Impairment in respect of expected credit loss at the end of the period	25,975	26,680
<i>trade receivables</i>	24,109	24,253
<i>other financial receivables</i>	1,866	2,427

As at 31 March 2024, the Group's maximum exposure to credit risk corresponds to the full amount of the balance of financial assets, taking into account existing securities. The risk that no cash flows will be obtained from the indicated asset items is considered as low. In the situation of an increased credit risk, the Group is protected by asset impairment allowances, which are reflected in the carrying amounts of the assets.

Cash is deposited with financial institutions in the form of short-term deposits. Credit risk associated with cash invested is low in the Management Board's opinion. Cash in bank carries variable rates of interest. Short-term deposits are opened for different periods (up to 3 months), and carry different interest rates. As at 31 March 2024, Selena Group had unutilized committed credit lines of PLN 294.5 million (as at 31 December 2023: PLN 328.4 million).

The table below shows a structure of the cash balances at the balance sheet date.

Figures in PLN thousand	As at 31.03.2024	As at 31.12.2023
Cash in bank	42,856	57,932
Cash on hand	379	255
Cheques (up to 3 months)	13,897	14,029
Short-term deposits	4,410	2,841
Cash in transit	503	818
Total	62,045	75,875

Cash in bank accounts carries variable rates of interest. The Management Board of the Parent Company believes that credit risk and cash and cash equivalents risk is low (stage 1 of the impairment model). A great majority of cash on bank accounts is held by Selena FM Group with financial institutions that have high, medium-high and medium credit rating and which have appropriate equity as well as a strong and stable market position.

Liquidity risk

Selena Group's Management Board seeks to maintain a balance between continuity and flexibility of financing. To this end, different funding sources are used, including investment loans, overdrafts and leases.

As part of its role of central coordination of the Group's finance management, Selena FM S.A. grants loans to its subsidiaries to ensure current financing and liquidity for them (the effect of such transactions is eliminated from the Group's consolidated accounts). Details of these transactions are included in the quarterly financial information included in this report (Chapter 3). The Parent Company provides financing to subsidiaries based on the Group's liquidity forecasts (including unused credit limits as well as cash and cash equivalents). As a rule, this is done locally by subsidiaries, in accordance with the practice and limits set by the Group. These limits vary from one location to another to reflect the liquidity of the market in which the subsidiary operates. In addition, the Group's liquidity management policy includes preparing cash flow projections for major currencies and taking into account the level of liquid assets necessary to cover the cash flows, monitoring balance sheet liquidity ratios in terms of internal and external regulatory requirements, and maintaining debt plans.

Other risks

Geopolitical risk, including the impact of the situation in Ukraine on the operating activities of Selena Group, is described in Note 2.6.

In the process of managing the Group's operations and taking strategic decisions which also have an impact on tax settlements, Selena Group is exposed to tax risks. These risks are described in Note 1.11 to the consolidated Management Report for 2023.

2.7 Other information

2.7.1 Related party transactions

The table below shows transactions with directors of the Parent as well as with associates and joint ventures. The sales and purchases figures cover the period of 3 months ended 31 March (2024 and 2023, respectively), while the receivables and liabilities are presented as at 31 March 2024 and 31 December 2023.

Figures in PLN thousand	Period	Sales	Purchases	Receivables	Liabilities	Loans granted
Associates	2024	1,651	0	3,410	4,453	444
	2023	0	0	1,246	4,453	432
Joint ventures	2024	239	0	3,467	0	0
	2023	18	0	3,569	0	0
Subsidiaries of ultimate controlling shareholder *	2024	2	851	1	453	38,893
	2023	3	570	3	227	43,175
Key management personnel**	2024	0	0	0	0	0
	2023	0	0	0	0	0
TOTAL	2024	1,892	851	6,878	4,906	39,337
	2023	21	570	4,818	4,680	43,607

* the item includes entities connected through Mr Krzysztof Domarecki

** the item includes members of the Management Board and Supervisory Board, their spouses, siblings, ascendants, descendants and other persons having close links with them.

2.7.2 Earnings per share

The basic earnings per share is calculated by dividing the net profit for the period attributable to the ordinary shareholders by the weighted average number of outstanding ordinary shares during the period.

The table below shows a calculation of the earnings (loss) per share in the reporting period.

		from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Profit (loss) attributable to the controlling interests	PLN	19,086,894	-5,056,773
Average number of ordinary shares	share	22,834,000	22,834,000
Earnings/(loss) per ordinary share	PLN/share	0.84	-0.22
Number of shares, including dilution	share	22,834,000	22,834,000
Diluted earnings per share	PLN/share	0.84	-0.22

2.7.3 Events occurring after the balance sheet date

After the balance sheet date and until the approval of this report no events, other than those described herein, took place that might materially affect the financial data presented in this report.



**Quarterly financial information
Selena FM S.A.**

3. Quarterly financial figures of Selena FM S.A.

INCOME STATEMENT

Figures in PLN thousand	Note	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Continued operations			
Revenue from the sale of goods and raw materials		202,357	226,887
Revenue from the sale of services		11,062	13,596
Revenue from contracts with customers		213,419	240,483
Cost of sales		168,660	216,122
Gross profit		44,759	24,361
Selling and marketing costs		12,262	13,831
General and administrative expenses		12,773	15,057
Other operating income	3.2.1	39	62
Other operating costs	3.2.1	183	438
Impairment loss/ reversal of impairment loss (-) of receivables		-128	393
Operating profit		19,708	-5,296
Financial income	3.2.2	5,364	5,797
Financial costs	3.2.2	5,957	10,174
Impairment loss/ reversal of impairment loss (-) of loans granted		-34,037	50
Profit before tax		53,152	-9,723
Income tax	3.3	3,093	-2,464
Net profit on continued operations		50,059	-7,259
Discontinued operations			
Profit (loss) on discontinued operations		-	-
Net profit		50,059	-7,259
Earnings per share (PLN/share):			
- basic		2.19	-0.32
- diluted		2.19	-0.32

STATEMENT OF COMPREHENSIVE INCOME

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Net profit	50,059	-7,259
Total comprehensive income	50,059	-7,259

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

Figures in PLN thousand	Note	As at 31.03.2024	As at 31.12.2023
ASSETS			
Property, plant and equipment		22,508	23,736
Intangible assets		146,629	147,323
Shares in subsidiaries	3.4.2	323,688	263,841
Long-term portion of loans granted	3.4.1	130,345	166,136
Deferred tax asset		332	12
Non-current assets		623,502	601,048
Inventories		5,936	1,438
Other short-term non-financial assets		24,551	20,329
Trade receivables		196,739	153,277
CIT claimed		0	997
Short-term portion of loans granted	3.4.1	104,432	67,907
Other short-term financial assets	3.4.1	5,025	6,622
Cash and cash equivalents	3.4.1	166	399
Current assets		336,849	250,969
TOTAL ASSETS		960,351	852,017
EQUITY AND LIABILITIES			
Registered capital		1,142	1,142
Own shares		-28,676	-28,676
Supplementary capital		402,392	402,392
Other reserves		128,075	128,075
Retained profit/ loss carried forward		65,857	15,798
Equity		568,790	518,731
Long-term portion of bank and other loans	3.4.1	5,380	0
Long term lease liabilities	3.4.1	17,413	18,450
Long-term obligations in respect of lease of enterprise	3.4.1	81,494	83,910
Provision for retirement benefits		772	772
Long-term liabilities		105,059	103,132
Trade and other liabilities	3.4.1	121,201	108,670
Obligations to return remuneration		522	2,680
Short-term portion of bank and other loans	3.4.1	137,653	86,808
Short-term lease liabilities	3.4.1	2,537	2,307
Short-term obligations in respect of lease of enterprise	3.4.1	9,402	9,231
CIT tax payable		2,306	0
Other short term financial liabilities		253	0
Other short term non-financial liabilities		12,628	20,458
Short-term liabilities		286,502	230,154
Total liabilities		391,561	333,286
TOTAL EQUITY AND LIABILITIES		960,351	852,017

STATEMENT OF CASH FLOWS

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Cash flows from operating activities		
Profit (loss) before tax	53,152	-9,723
Depreciation/ amortization	2,161	2,298
FX (gains) / losses	1,240	2,775
Interest and dividends	-3,315	-135
Profit / loss on investing activities	-33,270	-1,408
Change in the balance of receivables and other non-financial assets	-46,109	-130,250
Change in the balance of inventories	-4,498	-9,135
Change in the balance of liabilities	1,178	68,313
Change in the balance of provisions	0	169
CIT paid	110	-290
Other	-831	2,309
Net cash flows from operating activities	-30,182	-75,077
Cash flows from investing activities		
Inflows from the sale of tangible assets	60	67
Acquisition of tangible and intangible assets	-1,185	-408
Purchase of shares in subsidiaries	-59,856	-455
Dividends and interest received	7,367	17,442
Loans granted	-29,345	-3,938
Repayments of loans granted	59,190	12,661
Net cash flows from investing activities	-23,769	25,369
Cash flows from financing activities		
Repayment of lease liabilities	-290	-750
Inflows from bank/ other loans received	60,279	67,400
Repayment of loans	-4,404	-30,315
Interest paid	-1,867	-4,946
Net cash flows from financing activities	53,718	31,389
Increase (decrease) in cash and cash equivalents	-233	-18,319
Change in cash and cash equivalents, including:	-233	-18,320
net FX differences	0	-1
<i>Cash at the beginning of the period*</i>	399	21,339
<i>Cash at the end of the period*</i>	166	3,019

*including restricted cash:

as at 31 March 2024 – none

as at 31 March 2023 – none

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD OF 3 MONTHS ENDED 31 MARCH 2024

	Registered capital	Own shares	Supplementary capital	Other reserves	Retained profit/ (loss carried forward):		Total equity
					from previous years	from the current period	
Figures in PLN thousand							
As at 01.01.2024	1,142	-28,676	402,392	128,075	15,798	0	518,731
Net profit	0	0	0	0	0	50,059	50,059
Total comprehensive income	0	0	0	0	0	50,059	50,059
As at 31.03.2024	1,142	-28,676	402,392	128,075	15,798	50,059	568,790

FOR THE PERIOD OF 3 MONTHS ENDED 31 MARCH 2023

	Registered capital	Own shares	Supplementary capital	Other reserves	Retained profit/ (loss carried forward):		Total equity
					from previous years	from the current period	
Figures in PLN thousand							
As at 01.01.2023	1,142	-28,676	342,358	84,530	90,328	0	489,682
Net profit	0	0	0	0	0	-7,259	-7,259
Total comprehensive income	0	0	0	0	0	-7,259	-7,259
Net profit distribution	0	0	0	43,545	0	0	43,545
As at 31.03.2023	1,142	-28,676	342,358	128,075	90,328	-7,259	525,968

3.1 General information

Details about the period covered by the financial statements, the comparative data, accounting policies used, information on the Company (and connected entities) and significant events occurring during the reporting period and thereafter as well as other events that are material for the Company are described in detail in the condensed consolidated financial statements of Selena Group, which are a part of this report (Chapter 2).

The accounting policies that were used in preparation of the financial statements are consistent with the policies used in preparation of the Company's financial statements for 2023.

3.2 Notes to the consolidated income statement

3.2.1 Other operating income and operating costs

Other operating income

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Profit from disposal of non-financial fixed assets	26	50
Other	13	12
Total other operating income	39	62

Other operating costs

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Impairment of tangible fixed assets	28	32
Donations	0	2
Complaints	138	81
Other	17	323
Total other operating costs	183	438

3.2.2 Financial income and costs

Financial income

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Interest, including:	5,349	4,286
<i>on loans granted</i>	5,349	4,275
<i>on bank deposits and accounts</i>	0	11
Derivative financial instruments	0	1,511
Other	15	0
Total financial income	5,364	5,797

Financial costs

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Interest, including:	4,213	7,221
<i>on loans and advances received</i>	1,944	4,052
<i>on lease liabilities</i>	2,146	3,052
<i>on other obligations</i>	123	117
Derivative financial instruments	682	0
FX differences	866	2,776
Bank fees	196	177
Total financial costs	5,957	10,174

As at 31 March 2024, Selena FM S.A. had open forward contracts. The result on transactions (PLN -682 thousand) was recognized in financial costs under "Derivative financial instruments".

3.3 Taxation

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Income tax for the current period	3,414	440
Change in deferred income tax	-321	-2,904
Tax charge carried in profit or loss:	3,093	-2,464

3.4 Notes to the statement of financial position

3.4.1 Financial instruments

Financial assets

Figures in PLN thousand	As at 31.03.2024	As at 31.12.2023
Financial assets measured at amortized cost		
Loans granted	234,777	234,043
Trade receivables not covered by factoring agreement	190,613	141,593
Other short-term financial assets – dividend receivable	3,333	3,298
Other short-term financial assets – security deposits	65	64
Other short-term financial assets in respect of share disposal	1,589	2,000
Other short-term financial assets	38	0
Cash and cash equivalents	166	399
Financial assets measured at fair value through profit and loss		
Other short-term financial assets – forward transactions	0	1,260
Trade receivables covered by factoring agreement	6,126	11,684
Total	436,707	394,341

Financial liabilities

Figures in PLN thousand	As at 31.03.2024	As at 31.12.2023
Financial liabilities measured at amortized cost		
Bank and other loans	143,033	86,808
Lease liabilities	19,950	20,757
Liabilities in respect of lease of enterprise	90,896	93,141
Total interest-bearing debt	253,879	200,706
Trade liabilities	121,140	108,670
Investment liabilities	61	0
Financial liabilities measured at fair value through profit or loss		
Other short term financial liabilities – forward transactions	253	0
Total	375,333	309,376

Loans granted and other financial assets

Figures in PLN thousand	Gross value	Impairment (-)/ reversal of impairment	Net value
as at 1 January 2024	314,068	-80,025	234,043
Loan granted	29,345	34,037	63,382
Repayment of principal	-59,190	0	-59,190
Interest accrued	5,349	0	5,349
Interest paid	-7,367	0	-7,367
Withholding tax	-188	0	-188
FX differences arising on balance sheet valuation	-1,878	626	-1,252
as at 31.03.2024	280,139	-45,362	234,777

Figures in PLN thousand	Gross value	Impairment (-)/ reversal of impairment	Net value
as at 1 January 2023	322,216	-58,187	264,029
Loan granted	54,000	-26,413	27,587
Conversion of receivables	38,532	0	38,532
Conversion to shares	-22,999	0	-22,999
Repayment of principal	-60,846	0	-60,846
Interest accrued	20,812	0	20,812
Interest paid	-11,021	0	-11,021
Interest cancelled	-388	0	-388
Withholding tax	-533	0	-533
FX differences arising on balance sheet valuation	-25,705	4,575	-21,130
as at 31.12.2023	314,068	-80,025	234,043

Description of loans granted during the reporting period

On 1 March 2024, an annex was signed to the loan agreement with Selena Nantong of 17 September 2018, changing the interest rate and extending the repayment date.

On 18 March 2024, an annex was signed to the loan agreement with Selena Green Investments Sp. z o. o. of 30 August 2022 increasing the loan value.

On 18 March 2024, an annex was signed to the loan agreement with Selena Green Investments Sp. z o. o. of 18 March 2024 increasing the loan value and changing its interest rate.

On 10 April 2024, a loan agreement was signed with Fandla Faktoring Sp. z o.o. The loan carries a variable interest rate. It matures on 10 April 2029.

By the balance sheet date, the company received loan repayments totaling PLN 59,190 thousand:

- PLN 7,450 thousand from Selena Green Investments ASI Sp. z o.o.;
- PLN 18 thousand from BTB Sp. z o.o.;
- PLN 450 thousand from Selena Green Investments Sp. z o.o.;
- EUR 9,305 thousand and RON 6,455 thousand from Selena Romania;
- EUR 40 thousand from Selena Insulations;
- CNY 1,500 thousand from Selena Nantong;

By the balance sheet date, loan tranches in a total amount of PLN 29,345 thousand were transferred:

- PLN 150 thousand and EUR 104 thousand to Selena ESG;
- PLN 1,000 thousand and EUR 47 thousand to Selena Green Investments Sp. z o.o.;
- PLN 2,775 thousand to Selena Green Investments ASI Sp. z o.o.;
- PLN 13,332 thousand and EUR 2,630 thousand to SGI 2;
- PLN 18 thousand to BTB Sp. z o.o.

Trade receivables

The table below shows changes to impairment allowances for trade receivables.

Figures in PLN thousand	from 01.01.2024 to 31.03.2024	from 01.01.2023 to 31.03.2023
Impairment allowance at the beginning of the period	7,795	10,684
<i>related parties</i>	6,633	9,427
<i>other entities</i>	1,162	1,257
Impairment allowance created/reversed (-) according to IFRS 9:	-128	395
<i>related parties, including:</i>	-128	208
<i>Selena House</i>	-175	0
<i>Selena Mexico</i>	0	208
<i>Selena Nantong Building Materials Co., Ltd.</i>	47	0
<i>other entities</i>	0	187
FX differences	-68	12
<i>related parties</i>	-59	8
<i>other entities</i>	-9	4
Expected credit loss at the end of the period	7,599	11,091
<i>related parties</i>	6,446	9,643
<i>other entities</i>	1,153	1,448

Loans received

The table below shows the debt in respect of borrowings.

Figures in PLN thousand			As at 31.03.2024		As at 31.12.2023	
Ref.	Loan type	Maturity date	Long-term portion	Short-term portion	Long-term portion	Short-term portion
1	Non-renewable loan	2024	0	24,000	0	24,000
2	Working capital loan	2024	0	85,622	0	62,510
3	Working capital loan	2025	0	27,938	0	0
4	Loan	2027	5,380	93	0	43
5	Loan	2023	0	0	0	255
Total loans			5,380	137,653	0	86,808

As part of the loan agreements signed by the Company separately or jointly with its subsidiaries, Selena FM S.A. undertook to maintain certain financial ratios at the levels agreed with banks. As at 31 March 2024, Selena FM S.A. maintained financial ratios at the levels required by the lenders.

On 7 March 2024, a loan agreement was signed with Selena Marketing International Sp. z o.o. The loan carries a variable interest rate. It matures on 30 March 2027.

Figures in PLN thousand	As at 31.03.2024	As at 31.12.2023
Trade liabilities		
<i>amounts due to related parties</i>	102,743	91,410
<i>amounts due to other entities</i>	18,397	17,260
Total trade liabilities	121,140	108,670

3.4.2 Shares in subsidiaries

Figures in PLN thousand	As at 31.03.2024			As at 31.12.2023		
	Gross	Write-down	Net	Gross	Write-down	Net
Selena S.A.	62,781	0	62,781	62,781	0	62,781
Selena ESG Solutions Sp z o.o.	1,003	0	1,003	1,003	0	1,003
Selena Green Investments ASI Sp z o.o.	26,900	0	26,900	26,900	0	26,900
Selena Industrial Technologies Sp. z o.o.	39,899	0	39,899	39,899	0	39,899
Selena Green Investments Sp. z o.o.	5	0	5	5	0	5
Selena Deutschland GmbH	4	0	4	4	0	4
Selena Iberia slú	87,524	87,524	0	87,524	87,524	0
Uniflex S.p.A.	12,966	0	12,966	12,966	0	12,966
Selena USA Inc.	3,707	0	3,707	3,707	0	3,707
Selena Sulamericana Ltda	3,594	3,594	0	3,594	3,594	0
Selena Mexico	255	0	255	255	0	255
Selena Romania SRL	61,896	11,944	49,952	11,944	11,944	0
Selena Bohemia s.r.o	9,936	4,500	5,436	9,936	4,500	5,436
Selena Hungária Kft.	679	0	679	679	0	679
Selena Bulgaria Ltd.	4,446	0	4,446	4,446	0	4,446
Pimco Kortoltó Felelőségi Társaság	32,895	0	32,895	22,999	0	22,999
EURO MGA Product SRL	11,916	11,916	0	11,916	11,916	0
Selena Ukraine Ltd.	3,068	3,068	0	3,068	3,068	0
Selena CA L.L.P.	9,029	0	9,029	9,029	0	9,029
Selena Insulations	1,206	0	1,206	1,206	0	1,206
Selena Nantong Building Materials Co., Ltd.	33,910	33,910	0	33,910	33,910	0
Imperialum – Sociedade de Revestimentos e Impermeabilizações, S.A.	48,306	0	48,306	48,306	0	48,306
Selena Production Center TOO	455	0	455	456	0	456
Selena Malzemeleri Yapı Sanayi Tic. Ltd.	23,764	0	23,764	23,764	0	23,764
Value of shares	480,144	156,456	323,688	420,297	156,456	263,841

3.5 Other information

3.5.1 Related party transactions

The table below shows transactions with related parties (subsidiaries, associates, members of the Company's governing bodies) over the 3 months ended 31 March 2024 and 31 March 2023.

Figures in PLN thousand	Period	Sales	Purchase of goods and services	Other revenues ¹⁾	Other costs
Subsidiaries	2024	174,241	4,781	39,366	1,796
	2023	190,263	208,278	3,370	5,647
Associates	2024	1,869	0	175	0
	2023	1,189	112	0	0
Subsidiaries of the ultimate controlling shareholder *	2024	4	281	0	0
	2023	3	270	917	0
TOTAL	2024	176,114	5,062	39,541	1,796
	2023	191,455	208,660	4,287	5,647

¹ the value includes other operating income and financial income, mainly dividends and interest on loans

* the item includes entities connected through Mr Krzysztof Domarecki

The table shows the balance of transactions with related parties (subsidiaries, associates, members of the Parent Company's governing bodies) as at 31 March 2024 and 31 December 2023.

Figures in PLN thousand	Period	Loans	Trade receivables	Other receivables	Liabilities
Subsidiaries	2024	234,766	170,726	4,960	102,743
	2023	234,043	130,519	5,298	95,274
Associates	2024	0	2,261	0	0
	2023	0	1,713	0	0
Subsidiaries of the ultimate controlling shareholder *	2024	11	1	0	4,453
	2023	11	3	0	4,549
TOTAL	2024	234,777	172,988	4,960	107,196
	2023	234,054	132,235	5,298	99,823

* the item includes entities connected through Mr Krzysztof Domarecki

The person who prepared the
financial statements
Monika Szczot

Management Board President
Sławomir Majchrowski

Management Board Member
Chief Financial Officer
Krzysztof Ościłowicz

Management Board Member
Chief HR Officer
Andrzej Zygałło

Management Board Member
Chief Commercial Officer
Walter Brattinga

Management Board Member
Chief Product & Innovation Officer
Michał Specjański