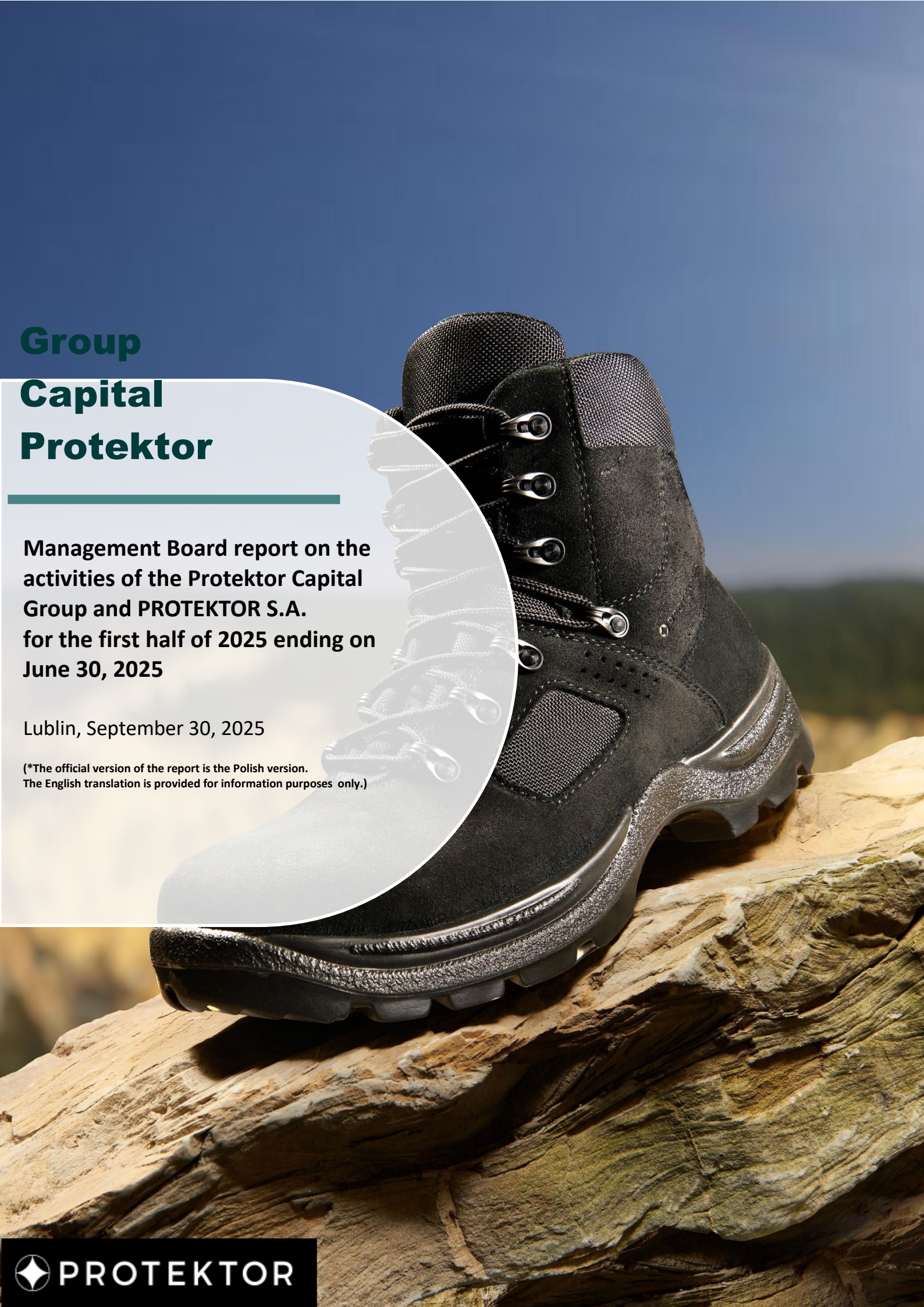




Group Capital Protektor

**Management Board report on the
activities of the Protektor Capital
Group and PROTEKTOR S.A.
for the first half of 2025 ending on
June 30, 2025**

Lublin, September 30, 2025

(*The official version of the report is the Polish version.
The English translation is provided for information purposes only.)

PROTEKTOR CAPITAL GROUP



PLN 39.9 million

consolidated sales



1.0 million PLN

EBITDA



74%

share of foreign sales



328

number of employees



249 thousand pairs

footwear production



PLN 33.0 million

stock market capitalization as of May 2,
2025

MAIN EVENTS

Increase in the share capital of PROTEKTOR SA by PLN 1.9 million through the issue of 3,804,319 new ordinary shares.

1Q

Conclusion of a share subscription agreement with Luma Holding Limited.

Signing of a tender agreement with the State Treasury – Chief Commander of the Police for PLN 1.6 million gross.

Temporary suspension of share trading.

2Q

Termination of the agreement for the provision of assurance services with PKF CONSULT Sp. z o. o. Sp. k. in Warsaw and signing of a new agreement with General Audyt Sp. z o. o. with its registered office in Katowice.

Extension of financing at PROTEKTOR SA

Ladies and Gentlemen, Dear Shareholders,

The first half of 2025 was a particularly demanding period for the PROTEKTOR Capital Group, marked by complex external conditions and significant internal challenges.

Geopolitical and macroeconomic factors significantly impacted the Group's operations. The ongoing war in Ukraine, internal tensions within the European Union, and uncertainty about future transatlantic relations following the US presidential election caused significant disruptions in the business environment. This was compounded by falling demand and a growing number of corporate bankruptcies in many European countries. All of this contributed to the prolonged economic downturn.

At the same time, European manufacturing companies, including those in the footwear industry, were forced to compete with producers from countries with much lower production costs – such as Pakistan, Bangladesh, China and North African countries – which, after the disruption of supply chains during the pandemic, quickly returned to the path of dynamic development.



In this challenging environment, the specialized footwear markets faced particular challenges: protective, military, rescue, and firefighting. In Poland and Europe, we observed budget constraints from public institutions responsible for security and defense, resulting in the postponement or reduction of orders. International competition, rising raw material and energy costs, and increasing certification requirements further hampered operations in these segments.

In the first half of 2025, the Protektor Capital Group generated sales revenue of PLN 39.85 million, compared to PLN 44.85 million (-11.1%) in the same period of the previous year. EBITDA amounted to PLN 0.99 million in the first half of 2025, compared to PLN 2.49 million (-60.2%) in the same period of the previous year.

In the first half of 2025, we continued our extensive business model redesign process, aimed at adapting our operations to changing market realities. Key actions included reviewing strategic options, reducing costs, optimizing operational and communication processes, as well as rebuilding sales and improving margins in our operating segments.

An additional factor shaping the outlook is the international situation in 2025. Donald Trump's victory in the US presidential election and the ongoing changes in global politics have further increased market uncertainty. At the same time, they are increasing pressure on increased defense spending and the modernization of emergency services in Europe. On March 19, 2025, the European Commission presented the "White Paper on European Defense – Preparedness 2030," identifying new financial levers for investment in defense capabilities. This is crucial for our Group, which has been supplying high-quality military and specialized footwear for many years.

The optimization and reorganization efforts we have undertaken have laid the foundation for capitalizing on upcoming opportunities. The decisions to increase the share capital of PROTEKTOR SA are a testament to our stakeholders' confidence – both through the issuance of Series E shares to Luma Holding Limited and the resolution of the Extraordinary General Meeting in June 2025, which enabled further strengthening of the Company's capital base. The fact that our main shareholder supports our initiatives is evidence of the positive assessment of our direction.

Our greatest strength remains our employees – from Poland, Germany, Moldova, and France – whose knowledge, experience, and commitment allow us to create reliable solutions valued worldwide. It is thanks to them that, despite challenges, the Protektor Capital Group is able to continue its growth and build a competitive advantage in the field of protective, military, and rescue footwear.

With respect,

Radosław Rogacki

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1. Characteristics GRupand Capital Protector

1.1. BUSINESS PROFILE

PROTEKTOR SA with its registered office in Lublin is the parent company of the Protektor Capital Group, specializing in the production and sale of:

- ◆ Safety and occupational footwear – for light and heavy industry, including: food production, industrial production, medical industry, electronics industry, construction; as well as for service industries, including: hospitals, catering, HoReCa, pharmacy.
- ◆ Military footwear – for the army and military enthusiasts.
- ◆ Footwear for rescue and uniformed services – for the fire brigade, police, emergency medical services and other special uniformed services.

The group sells its products in over 40 countries, including Germany, Poland, France, Austria, and Switzerland. Production takes place in its own plants in Poland and Moldova and in collaboration with external suppliers.

An outline of the corporate history of the Capital Group

2021	sale of 51% of shares in Terri-Pa (Moldova) – an indirect subsidiary of the Parent Company
2016	relocation to a new factory in the Lublin Subzone of the EURO-PARK Mielec Special Economic Zone
2012	sale of 100% shares in Prabos (Czech Republic)
2009	increase to 100% of shares in Abeba and Inform Brill (Germany)
2007	acquisition of 75% of shares in Abeba and Inform Brill (Germany) and 100% of shares in Prabos (Czech Republic)
1998	debut on the Warsaw Stock Exchange as Lubelskie Zakłady Przemysłu Skórzanego PROTEKTOR SA
1993	privatization process, taking over full control by private investors
1992	transformation into a single-member company of the State Treasury
1958	establishment of the state-owned Lublin Leather Industry Plant named after Marian Buczek
1944	commencement of footwear production for the Polish People's Army

Business model

The Protektor Group's business model is based on the production and sale of safety footwear under its own brands.

Production is carried out in our own production plants (Poland – Lublin, Moldova – Transnistria region), and partly in cooperation with external suppliers.

Product sales are mainly carried out in the following model:

- ◆ B2B (Business-to-Business) – cooperation with wholesalers, distributors, public institutions (including tenders).
- ◆ B2C (Business-to-Consumer) – direct sales to end customers, conducted by online stores: **eprotektor.com** and **abeba.com**.

Commercial activities are conducted by the Parent Company with its registered office in Lublin, Poland, and by the subsidiaries ABEBA Spezialschuh-Ausstatter GmbH and Abeba France SARL, which are located in Germany and France.

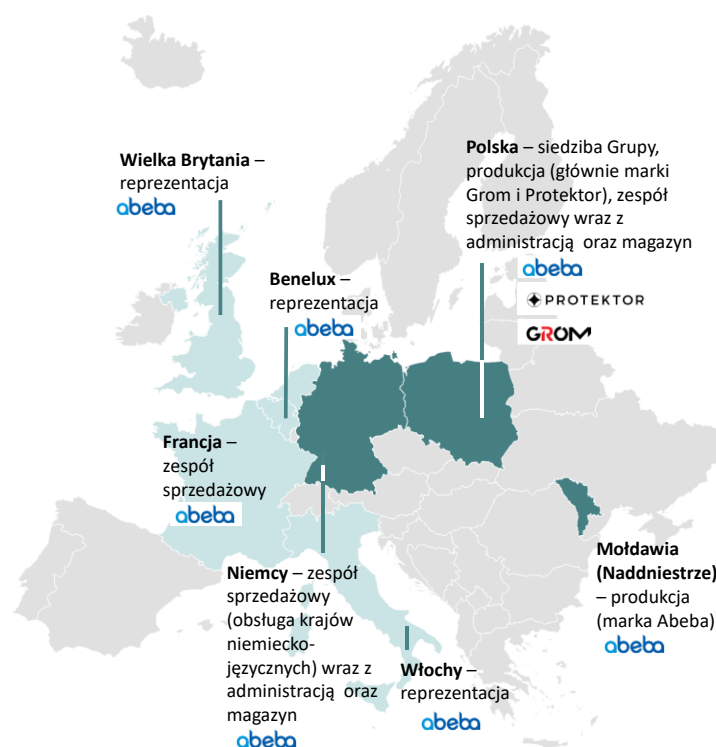
The products have numerous quality certificates (including ISO, AQAP) and the NATO NCAGE code, which enables cooperation with the military and government institutions.

Production and distribution

The Protektor Group conducts production activities in its own factories:

- ◆ Poland – Lublin: headquarters and production plant of the Parent Company (PROTEKTOR SA),
- ◆ Moldova – Transnistria region: plant owned by the subsidiary Inform Brill GmbH.

Production is also carried out at the Terri-Pa factory in Moldova (Transnistria region), which was part of the Protektor Capital Group until December 31, 2021. Cooperation between Inform Brill and Terri-Pa is based on a framework agreement that governs the terms of cooperation until the end of 2026.



The Group has two logistics centers located in Poland and Germany. The warehouse in Poland (Lublin) is responsible for distribution in Poland and Eastern Europe, and also handles e-commerce sales (eprotektor.com and abeba.com). The warehouse in Germany (St. Ingbert) handles shipments within Western Europe and to countries outside Europe.

Below are detailed data on the production plants belonging to the Protektor Capital Group:

- ◆ Poland – a modern production facility (built in 2015) in Lublin, located in the Euro-Park Mielec Special Economic Zone. Installed production capacity is 400,000 pairs of footwear per year, depending on the number of shifts. Footwear production technologies used: direct injection assembly, traditional assembly.
- ◆ Moldova - RIDA production plant in Tiraspol (Transnistria region). Installed production capacity: 500,000 pairs per year. Technologies used: direct injection assembly, traditional assembly.

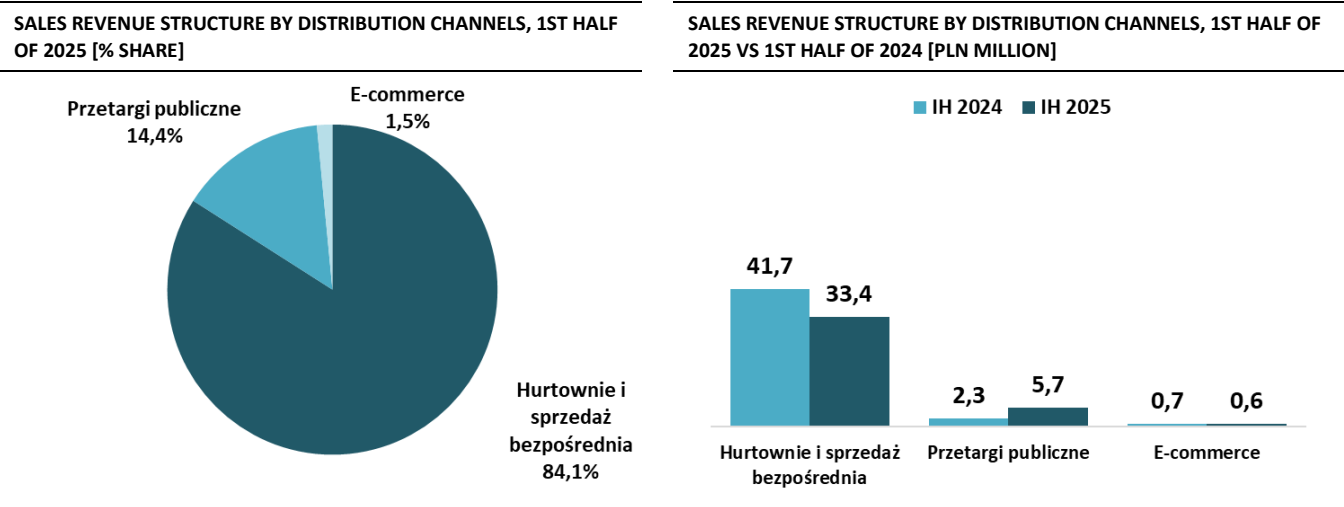
In the first half of 2025, a total of 249,000 pairs of footwear were produced across all factories, compared to 271,000 pairs of footwear in the first half of 2024 (-8.1% y/y). The above data, in addition to production by the company's own factories in Lublin and Rida, also includes production at the Terri-Pa factory for the Protektor Capital Group.

Sale

In 2025, the Protektor Capital Group's primary product distribution channel remained wholesale and direct sales through its sales departments. Total sales from this channel reached PLN 33.4 million, representing 84.1% of consolidated revenue from the sale of products and goods. Despite its dominant share, this channel recorded a significant decline of 19.9% compared to the same period of the previous year.

Public procurement remains a significant component of sales, primarily for uniformed services – the military, police, fire department, border guard, and customs and tax authorities. Revenue from public procurement in the first half of 2025 amounted to PLN 5.7 million, representing a significant increase of 148.1% year-on-year. This channel's share of revenue increased from 5.2% in the first half of 2024 to 14.4% in the first half of 2025 (an increase of 9.3 percentage points).

E-commerce sales in the first half of 2025 amounted to PLN 0.6 million, representing 1.5% of total revenue from sales of products and goods. This represents a 15.1% year-on-year decline in revenue.



Final recipients

The Protektor Capital Group's offerings are broadly tailored to the needs of customers operating in diverse economic sectors and geographic markets. The Group's products are used in industries requiring high levels of protection and specialized performance properties, as well as in the service sector, where comfort, durability, and aesthetics are paramount.

Our key target audience is the service sector, including hospitals and medical facilities, the hospitality and catering industry (HoReCa), and pharmaceutical companies. In these work environments, comfort, slip resistance, ease of cleaning, and aesthetic appeal are particularly important, which is reflected in the footwear designs we offer.

Another category is industrial users, representing sectors such as food production, industrial manufacturing, the medical industry, the electronics industry, and construction. For these clients, the Group provides safety and professional footwear, often with reinforcements, anti-slip properties, and resistance to chemicals and high temperatures.

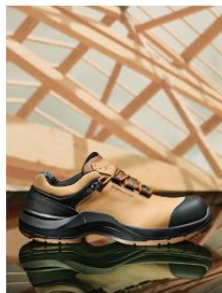
A significant customer base includes uniformed services, such as the military, police, fire departments, emergency medical services, border guards, and other forces responsible for public safety. Specialized footwear models are offered for this group, meeting stringent technical standards, resistant to external factors, and ensuring comfort in intensive use.

Another group consists of military enthusiasts, hobbyists, and those seeking durable tactical or outdoor footwear. Thanks to a wide range of models and a variety of functions and designs, Protektor Group products are chosen not only for professional needs but also for lifestyle and personal preferences.

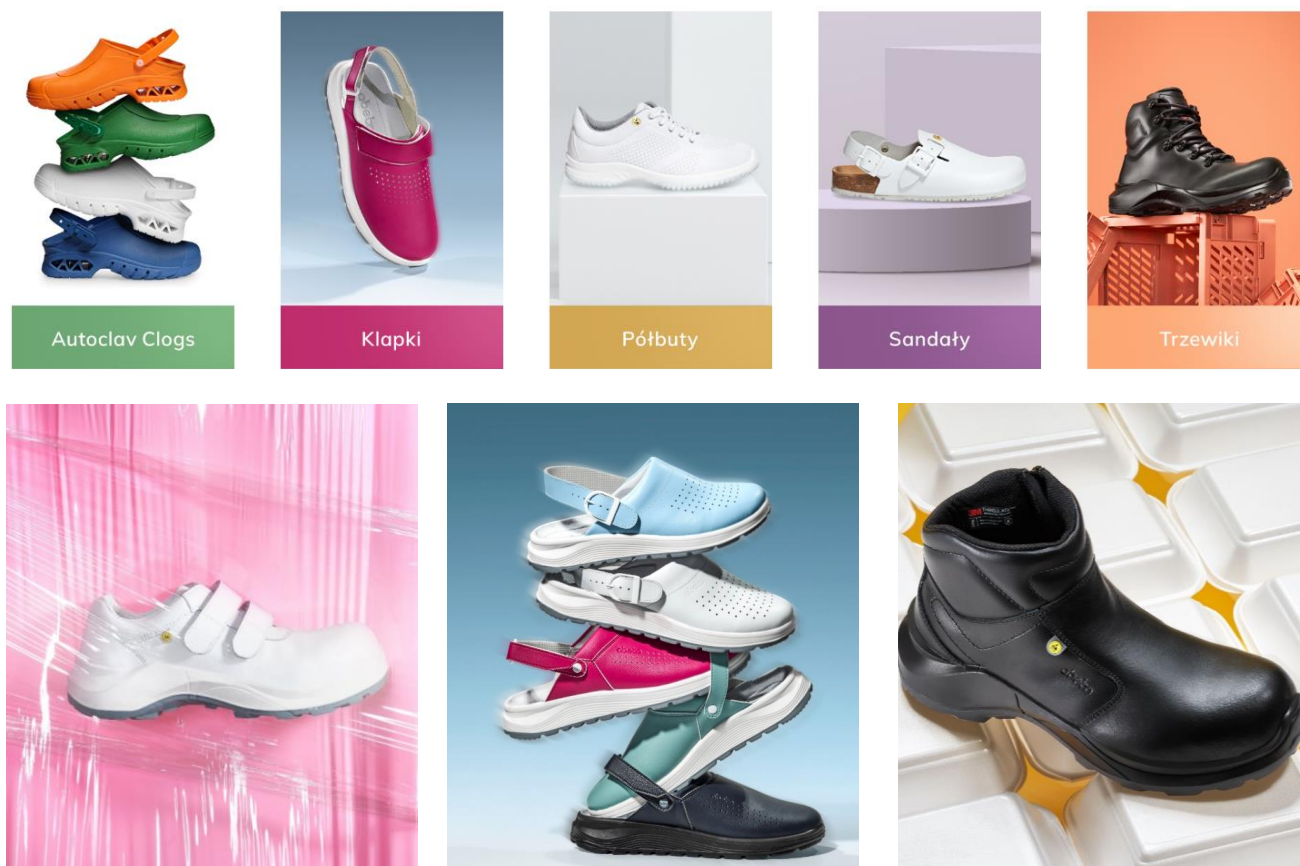
Brands and products

Private labels

The Protektor Capital Group focuses its commercial activities around three private labels: Abeba, Protektor, and GROM. Each of these brands addresses different end-user needs and targets distinct market segments. This allows the Group to effectively address the diverse expectations of customers across multiple industries and countries.

Mark	Characteristics			
	Footwear ◆ Type: safe and professional ◆ Technology: direct injection assembly, traditional assembly ◆ Application: catering and hotel industry (HoReCa), hospitals, pharmaceuticals, industrial sector, mainly food and medical			
	Footwear ◆ Type: safe and professional, military, for rescue services and police ◆ Technology: direct injection assembly, traditional assembly ◆ Applications: construction industry, industrial production, transport and warehousing, electronics industry, food industry, metallurgy and welding, fire brigade, police, emergency medical services, military			
	Footwear ◆ Type: Paramilitary and Tactical ◆ Technology: direct injection assembly, traditional assembly ◆ Application: uniformed services, border guards, customs services, airports, security agencies, trekking enthusiasts, paramilitary, military schools			
An example of the Protektor Capital Group’s offer in the Grom and Protektor brands is presented in the image below:				
 OBUWIE MILITARNE	 PÓŁBUTY	 SANDAŁY	 OBUWIE STRAŻACKIE	 TRZEWIKI
				

An example of the offer of the Protektor Capital Group in the Abeba brand is presented in the image below:

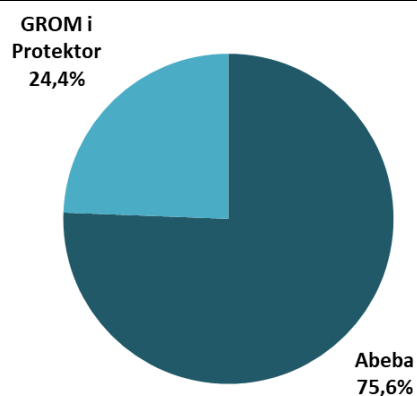


Sales of Abeba private-label products remain the Protektor Group's primary source of revenue. In the first half of 2025, sales of this brand's footwear and accessories totaled PLN 30.0 million, down PLN 6.5 million year-on-year (-17.9% year-on-year). The Abeba brand accounted for 75.6% of the Group's total consolidated revenue from the sale of products and goods.

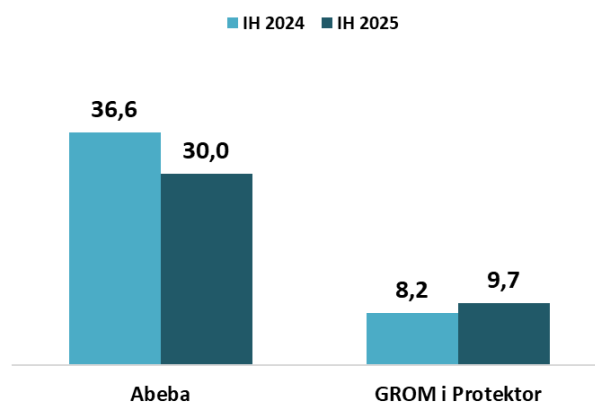
Sales of products under the Protektor and GROM brands (including those under tenders for public-private contractors) reached PLN 9.7 million in the period under review, representing an increase of PLN 1.5 million compared to the first half of 2024 (+19.0% year-on-year). The share of these brands in the Group's total revenue from sales of products and goods was 24.4%.

The differences in the shares of individual brands are mainly due to the number of available product lines and models within the offer, as well as the diverse geographical sales range of each brand.

SALES REVENUE STRUCTURE BY BRAND, 1ST HALF OF 2025 [% SHARE]



SALES REVENUE BY BRAND, 1H 2025 VS 1H 2024 [PLN MILLION]



Products

The Protektor Group specializes in the production of safety and professional footwear, military footwear, and footwear dedicated to emergency services and the police.

In the first half of 2025:

1. Safety and occupational footwear (Abeba, Protektor and GROM brands)

- ◆ Sales amounted to: PLN 31.1 million
- ◆ Year-on-year dynamics: -18.5%
- ◆ Share in consolidated revenues from sales of footwear and accessories: 78.2%

2. Military footwear (Protektor and GROM brands)

- ◆ Sales amounted to: PLN 7.0 million
- ◆ Year-on-year growth: +28.5%
- ◆ Share in consolidated revenues from sales of footwear and accessories: 17.7%

3. Police and emergency service footwear (Protektor brand)

- ◆ Sales amounted to: PLN 1.4 million
- ◆ Year-on-year growth: +63.9%

Share in consolidated revenues from sales of products and goods: 3.6%.



Safety and occupational footwear

Specialized safety and occupational footwear is designed for professionals from various industries, including those working daily in difficult conditions, exposed to mechanical injuries, and requiring enhanced protection. Occupational and safety footwear undergoes a series of tests to meet the requirements of the PN-EN ISO 20347 and PN-EN ISO 20345 standards. Products in these categories include protective toecaps, anti-puncture inserts, and insoles with antistatic and ESD properties, while the specialized construction of the footwear ensures comfort and safety in various conditions.

In this footwear category, the Group sells its products under three own brands, i.e. Abeba, Protektor and GROM.



Military footwear

Military boots are models designed with special forces in mind. Characteristic features of these models include reinforced soles and highly comfortable insoles, which enhance walking ergonomics even during cross-country runs or very long marches. Military boots are high-top models made almost entirely of full-grain leather. They offer increased resistance to mechanical damage, low temperatures, and moisture. Importantly, they fit perfectly to any foot, are lightweight, and feature a fabric insole.

In this footwear category, the Group sells its products under its own brands Protektor and GROM.



Footwear for emergency services and police

When designing footwear for fire brigades, rescue services and other uniformed services, we pay particular attention to: The focus is on the wearer's comfort and mobility. Shoes are designed to support functional activities and be easy to put on and take off. These work shoes are designed to avoid causing any discomfort or damage to the foot, while also ensuring safety and being tailored to the specific needs of the service.

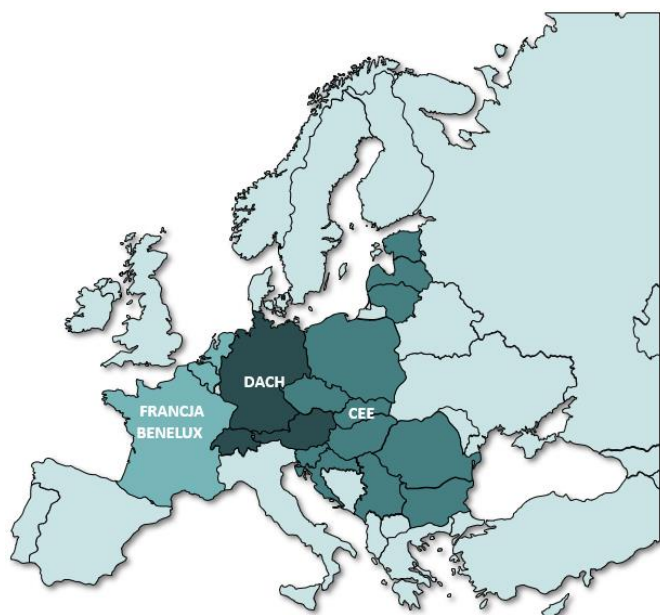
In this footwear category, the Group sells its products under its own brand Protektor.

Additionally, the Protektor Group sells accessories (including shoe inserts and protectors). Revenue from sales of this product group constitutes 0.5% of the Protektor Group's consolidated revenue from sales of products and goods.

Main sales markets

Germany remains the Protektor Capital Group's primary sales market, accounting for 42.5% of consolidated revenue from sales of products and goods in the first half of 2025. Poland was the second largest market, accounting for 25.7% of total revenue from footwear and accessories sales. France came in third, with a 10.9% share of total sales during the period under review.

From the perspective of geographical macroregions, the DACH countries (i.e. Germany, Austria and Switzerland) in the first half of 2025 accounted for 49.6% of total revenues from sales of products and goods of the Abeba, Protektor and GROM brands, the CEE region accounted for 34.3%, while France and the Benelux countries accounted for 13.2% of consolidated sales revenues.



ROOF

- ◆ The main markets in which the Protektor Group sells.
- ◆ Contribution to total sales at 49.6% in the first half of 2025.
- ◆ Germany – the largest market in Europe – accounted for 42.5% of consolidated revenues in the first half of 2025.

CEE

- ◆ The second most important region for the Protektor Group.
- ◆ Contribution to total sales at 34.3% in the first half of 2025.
- ◆ Poland accounted for 25.7% of consolidated revenues in the first half of 2025.

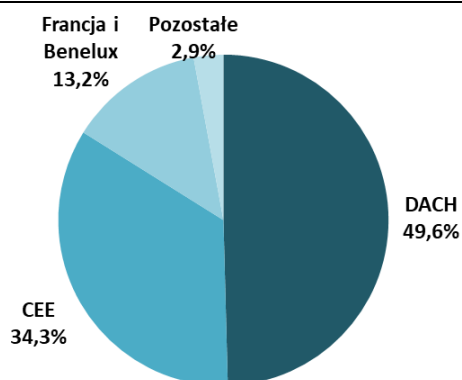
France and Benelux

- ◆ The region's share in the Protektor Group's sales revenues amounted to 13.2% in the first half of 2025.
- ◆ France – the third largest market in Europe – accounted for 10.9% of consolidated sales revenues in the first half of 2025.

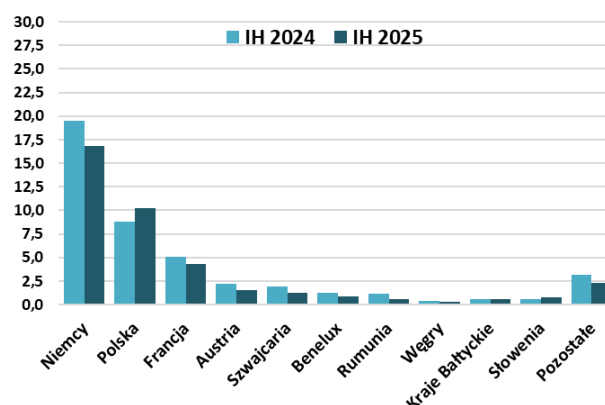
The remaining

Other countries accounted for 2.9% of consolidated sales revenues in the first half of 2025.

SALES REVENUE STRUCTURE BY GEOGRAPHY, [FOOTWEAR, ACCESSORIES], 1ST HALF OF 2025 [% SHARE]



SALES REVENUE STRUCTURE BY GEOGRAPHY, [FOOTWEAR, ACCESSORIES], H1 2025 vs H1 2024 [PLN MILLION]



Seasonality of sales

The work and safety footwear industry, in which the Protektor Capital Group operates, is characterized by relatively low sales cyclicity. However, fluctuations in revenue are influenced by certain seasonal and calendar factors, including:

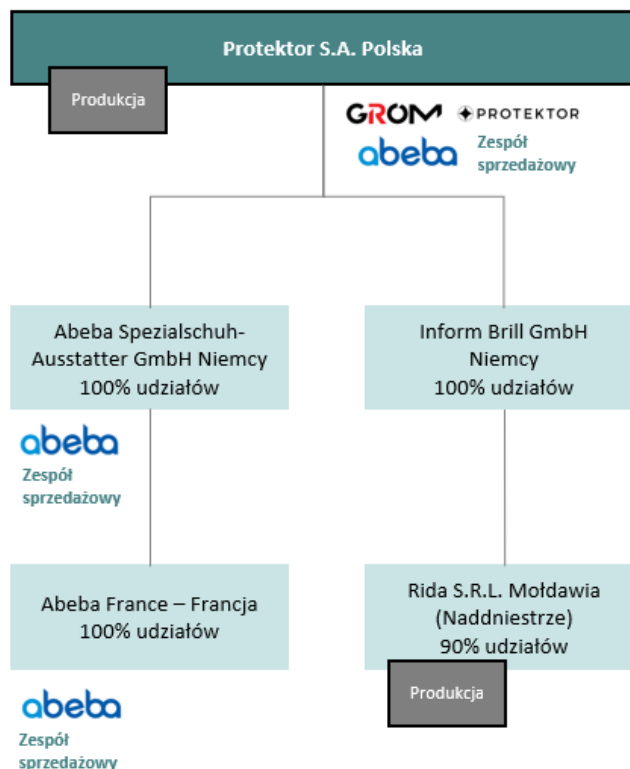
- ◆ number of working days in a given reporting period (e.g. January, May, August, December),
- ◆ holiday period (July – September),
- ◆ budget expenditure cycle (especially Q4),
- ◆ holiday periods (December – January and Easter).

The Group consistently focuses on increasing the share of revenue generated in industrial and service markets, which are less sensitive to economic fluctuations. These efforts are aimed at mitigating the impact of seasonal factors and contributing to the stabilization and improvement of the Group's financial results – both in the short and long term.

1.2. ORGANIZATIONAL STRUCTURE OF THE CAPITAL GROUP

Entities subject to consolidation

CompaniesSubsidiaries included in the Protektor Capital Group subject to full consolidation as at 30 June 2025:



- ◆ PROTEKTOR SA - Parent Company. PROTEKTOR SA is also the highest-level parent company in the Protektor Group.
- ◆ ABEBA Spezialschuh-Ausstatter GmbH, based in Sankt Ingbert, Germany, is a subsidiary company entered in the commercial register of the District Court in Saarbrücken under number HRB 32581. PROTEKTOR SA holds 100% of the shares. Control was acquired in May 2007. Core business: sale of footwear, footwear parts, leather goods, and related products.
- ◆ Inform Brill GmbH, based in Sankt Ingbert, Germany, is a subsidiary company entered in the commercial register of the District Court in Saarbrücken under number HRB 32553. PROTEKTOR SA holds 100% of the shares. Control was acquired in May 2007. Core business: trade in footwear and its parts, leather goods, and related products.
- ◆ ABEBA FRANCE SARL with its registered office in Sarreguemines, France – entered in the Registre du Commerce et des Sociétés Sarreguemines under number TI 490524964. The sole shareholder of the company is ABEBA Spezialschuh-Ausstatter GmbH. An indirect subsidiary of PROTEKTOR SA
- ◆ Limited Liability Company "Rida" with its registered office in Tiraspol, Moldova (Transnistria) – registered by a certificate dated February 4, 1993, under number 01-023-2054. Inform Brill GmbH holds 90% of the company's shares. Indirect subsidiary of PROTEKTOR SA

The companies ABEBA Spezialschuh-Ausstatter GmbH and Inform Brill GmbH together with their subsidiaries are referred to in this report under the common name: Abeba Capital Group.

Other related entities

POLANIA Sp. z o. o. in liquidation – is not a subsidiary, but remains a related entity. PROTEKTOR SA holds 12,242 shares, representing 14.1% of votes at the Shareholders' Meeting. The shares were acquired on October 25, 2002, for PLN 1.00 and are fully covered by a write-down.

Changes in the structure of the Capital Group

During the reporting period and until the date of publication of these financial statements, there were no changes in the organisation of the Protektor Capital Group, including as a result of mergers, obtaining or losing control over subsidiaries and long-term investments, as well as division, restructuring or discontinuation of operations.

1.3. THE MOST IMPORTANT EVENTS AND ACHIEVEMENTS IN THE FIRST HALF OF 2025

In the first half of 2025, significant events occurred in the Group, both positive (achievements) and negative (failures), which had an impact on its current operational, financial and strategic activities.

Significant achievements

- ◆ Reduction in selling and general administrative costs by PLN 1.5 million y/y (-10.7% y/y).
- ◆ Concluding an agreement with the Chief Commander of the Police in Warsaw, which will generate revenue of PLN 1,646,000 gross.
- ◆ Signing of an agreement between PROTEKTOR SA and Luma Holding Limited regarding the acquisition of 3,804,319 series E shares with a total nominal value of PLN 1,902,159.50.
- ◆ Extension of existing loan agreements.

Significant failures

- ◆ Sales revenues decreased by PLN 5.0 million y/y (-11.1% y/y).
- ◆ EBITDA result worsened by PLN 1.5 million y/y; EBITDA profitability decreased by 3.1 percentage points y/y.
- ◆ Net profit down by PLN 1.5 million year-on-year; net profitability decreased by 4.5 percentage points year-on-year.
- ◆ Delays in the publication of periodic reports for 2024 and the first quarter of 2025, resulting from the prolonged process of auditing financial statements.
- ◆ Temporary suspension of trading in the Company's shares as a result of the above-mentioned delays in fulfilling disclosure obligations.

Company Statute

On **January 21, 2025** The Management Board of PROTEKTOR SA informed (RB 2/2025) that it was informed about the registration on January 19, 2025 by the District Court Lublin-Wschód in Lublin with its registered office in Świdnik, 6th Commercial Division of the National Court Register of amendments to the Company's Articles of Association adopted by the Extraordinary General Meeting of the Company under resolution No. 3/2024 of November 28, 2024.

The Management Board of PROTEKTOR SA was authorized to increase the share capital of PROTEKTOR by an amount not higher than PLN 1,902,159.50 by issuing not more than 3,804,319 new ordinary bearer shares with a nominal value of PLN 0.50 each.

Changes in the shareholder structure

On **March 14, 2025** The Management Board informed (RB 5/2025) about receiving a written notification from the Shareholder, Mr. Mariusz Szymula, informing the Company about the Shareholder reducing his share in the total number of votes in the Company below the threshold of 5% of the total number of votes.

Before the change, the Shareholder Mr. Mariusz Szymula held a total of 1,995,755 shares, which constituted 10.49% of the share capital of the Company, and 1,995,755 votes at the General Meeting of the Company, which constituted 10.49% of the total number of votes.

After the change, the Shareholder holds a total of 382,321 shares, which constitutes 2.0099% of the share capital of the Company, and 382,321 votes at the General Meeting of the Company, which constitutes 2.0099% of the total number of votes.

On **March 17, 2025** The Management Board informed (RB 6/2025) about receiving a written notification from the Shareholder, Mr. Piotr Szostak, informing the Company about the Shareholder's reduction of the share in the total number of votes in the Company below the threshold of 10% of the total number of votes.

Before the change, the Shareholder Mr. Piotr Szostak held 1,935,182 shares in the share capital of the Company, which constituted 10.17% of the share capital of the Company, and 1,935,182 votes at the General Meeting of the Company, which constituted 10.17% of the total number of votes.

After the change, the Shareholder holds a total of 430,065 shares, which constitutes 2.26% of the share capital of the Company, and 430,065 votes at the General Meeting of the Company, which constitutes 2.26% of the total number of votes.

Share issue and share subscription agreement

On **March 27, 2025** The Management Board informed (RB 7/2025) that it adopted a resolution on increasing the Company's share capital by issuing 3,804,319 new ordinary bearer shares of series E with a nominal value of PLN 0.50 each within the authorized capital.

Pursuant to the resolution, the Issuer's share capital was increased from PLN 9,572,300.00 to PLN 11,474,459.50, i.e. by PLN 1,902,159.50, through the issue of 3,804,319 new ordinary bearer series E shares with a nominal value of PLN 0.50 each.

On **March 28, 2025** The Management Board informed (RB 8/2025) about the signing of the "Share Subscription Agreement" with Luma Holding Limited with its registered office in St. Julians, Level 2, Portomaso Complex, (postal code STJ 4010 St. Julians), Malta.

Under the Agreement, 3,804,319 Series E shares in the Company's share capital were acquired, with a nominal value of PLN 0.50 each, with a total nominal value of PLN 1,902,159.50, at an issue price of PLN 0.50 per share, i.e. at a total issue price of PLN 1,902,159.50, issued by the Company on the basis of the Management Board resolution of March 28, 2025.

On **April 23, 2025** In 2018, the Issuer submitted an application to the Warsaw Stock Exchange for the admission and introduction of 3,804,319 series E ordinary bearer shares to stock exchange trading on the main market (RB 10/2025).

Conclusion of important public procurement contracts

On **January 27, 2025** The Management Board of PROTEKTOR SA informed (RB 3/2025) that in the public procurement procedure, which was conducted in accordance with the provisions of framework agreement no. 136/BLP/34/Ckt/24/AK for the production and delivery of 3,000 pairs of service boots, announced by the State Treasury – the Chief Commander of the Police in Warsaw for the execution of the order entitled: "Conclusion of an executive agreement for the production and delivery of service boots", the Issuer's offer was selected as the most advantageous.

The implementation agreement was signed on **March 11, 2025** (RB 4/2025) in accordance with the principles set out in the already concluded framework agreement of 10 July 2024, No. 136/BLP/34/Ckt/24/AK, for the production and delivery of 12,000 pairs of service shoes, about which the Company informed in the current report No. 16/2024 on 11 July 2024.

The subject of the tender is the supply of 3,000 pairs of new work boots from current production. The value of the offer submitted by the Issuer was PLN 1,646,000 gross.

Change of the publication date of the periodic report

On **April 16, 2025** The Management Board of PROTEKTOR, in reference to current report No. 1/2025 of January 14, 2025, announced a change in the date of publication of the separate and consolidated annual report of PROTEKTOR SA and the Protektor Capital Group for the financial year ended on December 31, 2024 (RB 9/2025).

On **May 30, 2025** The Management Board announced that, with reference to the current report dated April 16, 2025, No. 9/2025, it will not be able to publish the audited separate and consolidated financial statements of PROTEKTOR SA and the Protektor Capital Group for the financial year ended December 31, 2024 by May 31, 2025, because the audit of the statements has not been completed (RB 16/2025).

Suspension of trading in shares

On **May 5, 2025** pursuant to Resolution No. 586/2025 of the Management Board of the Warsaw Stock Exchange, the shares of PROTEKTOR company marked with the code "PLLZPSK00019" were suspended (RB 12/2025).

The reason for the suspension of the Company's shares - announced by the Polish Financial Supervision Authority - was the ongoing work related to the audit of financial statements, about which the Company informed in Current Report No. 9/2025 of April 16, 2025.

The Company's shares were suspended on July 2, 2025, pursuant to Resolution No. 894/2025 of the Management Board of the Warsaw Stock Exchange.

Changes to the agreement for the provision of assurance services

On **June 17, 2025** The Management Board announced (CR 21/2025) that on 16 June 2025, PROTEKTOR SA terminated (with effect as of that date) the agreement for the provision of assurance services, concluded with PKF CONSULT Sp. z o.o. Sp. k. in Warsaw on 6 August 2024, for the audit of the Company's separate financial

statements and the consolidated financial statements of the Protektor Capital Group for the financial years 2024 and 2025 due to PKF CONSULT Sp. z o.o. Sp. k.'s breach of the agreement. The entity responsible for the audit of the statements did not audit the separate financial statements of PROTEKTOR SA and the consolidated financial statements of the Protektor Capital Group for 2024 within the agreed deadline and there were no prospects for their completion in time to allow for approval of the financial statements by the General Meeting of Shareholders by the end of June 2025.

Furthermore, the Management Board of the Company informed that on **June 17, 2025** an agreement was signed with General Audyt Sp. z o. o. based in Katowice for the provision of assurance services, including:

- ◆ for the audit of the Company's separate financial statements and the consolidated financial statements of the Protektor Capital Group for the financial years ended on 31 December 2024 and 31 December 2025,
- ◆ to review the half-yearly condensed separate financial statements of the Company and the consolidated financial statements of the Protektor Capital Group for the periods ended on 30 June 2025 and 30 June 2026,
- ◆ for the auditor's assessment of the remuneration report in terms of including the information required under Article 90g, sections 1-5 and 8 of the Act on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies for the financial years ending on 31 December 2024 and 31 December 2025.

Conclusion of annexes to loan agreements

On **March 26, 2025** an annex to the recourse factoring agreement of September 28, 2021 was signed. Pursuant to the provisions of the annex, the agreement ended on May 31, 2025.

On **June 30, 2025** The Management Board of the Company informed (RB 22/2025 and 27/2025) about concluding annexes with mBank SA to:

- ◆ framework agreement for the multi-product line No. 87/067/20/Z/VX concluded on October 19, 2020,
- ◆ Framework Agreement No. 43/069/24/Z/GX concluded on October 4, 2021,
- ◆ Flexible revolving credit agreement No. 02/168/22/Z/LE concluded on June 30, 2022,
- ◆ credit agreement for the payment of liabilities no. 87/066/20/Z/ZE concluded on October 19, 2020.

Annexes extend the loan period and establish a loan repayment schedule.

Extraordinary General Meeting

On **April 23, 2025** The Management Board of PROTEKTOR announced the convening of the Extraordinary General Meeting of the Company on 20 May 2025 (RB 11/2025).

On **May 20, 2025** during the Extraordinary General Meeting of Shareholders convened for that day, no resolution was adopted on the adoption of the agenda and amendments to the Company's Articles of Association consisting in authorizing the Management Board to increase the share capital within the authorized capital, excluding the subscription rights of existing shareholders, due to the lack of the required quorum (RB 13/2025).

The General Meeting was formally opened, however, due to the content of Article 445 § 2 of the Commercial Companies Code, due to the lack of presence of shareholders representing the required number of shares, it was not possible to adopt a resolution amending the Company's Articles of Association consisting in authorizing the

Management Board to increase the share capital within the authorized capital, excluding the subscription rights of existing shareholders.

On the same day, i.e. 20 May 2025, the Management Board announced the convening of the Extraordinary General Meeting of the Company on 16 June 2025 (RB 15/2025).

On **June 16, 2025** The Extraordinary General Meeting adopted a resolution amending the Company's Articles of Association, authorizing the Management Board to increase the share capital within the authorized capital, excluding the subscription rights of existing shareholders. The Management Board is authorized to increase the Company's share capital by an amount not exceeding PLN 8,000,000 by issuing no more than 16,000,000 new ordinary bearer shares with a nominal value of PLN 0.50 each (RB 20/2025).

Annual General Meeting

On **June 3, 2025** The Company's Management Board announced the convening of the Company's Annual General Meeting on 30 June 2025 (RB 19/2025).

On **June 30, 2025** The Annual General Meeting of PROTEKTOR SA was held, about which the Issuer informed in current report No. 25/2025.

During the Annual General Meeting, shareholders approved:

- ◆ separate financial statements of PROTEKTOR SA for 2024,
- ◆ consolidated financial statements of the Protektor Capital Group for 2024,
- ◆ Management Board report on the activities of the Protektor Capital Group and PROTEKTOR SA for 2024,
- ◆ report of the Supervisory Board of PROTEKTOR SA on its activities in 2024.

In addition, the Supervisory Board adopted a resolution regarding:

- ◆ covering the net loss of PLN 10,486 thousand for the financial year ended on December 31, 2024 with the Company's future profits,
- ◆ granting discharge to individual members of the Management Board and Supervisory Board for the performance of their duties in 2024.

2. Factors influencing the Group's activities

2.1. MACROECONOMIC ENVIRONMENT

The Protektor Capital Group's results are closely linked to the macroeconomic situation of the largest European economies – particularly Western Europe and Central and Eastern Europe, which constitute the Group's main markets. The level of economic activity, measured by GDP growth and business climate indicators, directly influences the level of demand for professional footwear generated by the industrial and service sectors.

In 2024 and in the first half of 2025, the Group's operations were affected by unfavorable macroeconomic phenomena, which contributed to the deterioration of efficiency indicators – in particular the cost-to-revenue ratio.

The year 2024 was characterized by a clear economic slowdown in Europe, which is still ongoing, although the first symptoms of a slight rebound appeared in 2025.

Eurozone – situation in the first half of 2025:

- ◆ According to the European Central Bank (ECB) bulletin, the eurozone economy grew by 0.7% cumulatively in the first half of 2025. Growth in the first quarter was significantly stronger than in the second, partly due to so-called front-loading of trade (companies accelerated exports/imports ahead of expected tariffs or changes in trade policy), followed by some correction.
- ◆ The increase in negotiated wages in 2025 was approximately 3.1% (including one-off payments) and ~2.9% if these payments are deducted.
- ◆ The unemployment rate remained around 6.2% in March 2025. The job vacancy rate was declining, reaching around 2.2% in the second quarter of 2025, compared with higher levels in previous periods. This signals that demand for workers is weakening.
- ◆ Industrial production recorded moderate increases in some months; for example, in July 2025, industrial production in the euro area increased by ~0.3% month-on-month (after earlier declines).
- ◆ The Eurozone continued to have some surplus in its trade in goods with the rest of the world, although smaller than in previous periods – this surplus was narrowing in early 2025.
- ◆ Despite the decline in core inflation, cost pressures remained, with the costs of labour, raw materials and imports impacting producers and businesses.
- ◆ Industrial producer prices increased by approximately 0.4% month-on-month in July 2025, indicating that the cost pressures of the penultimate stage have not disappeared.
- ◆ Private consumption and domestic demand proved to be key stabilizing factors for the economy, as exports and investment were in turn hampered by uncertainty, financing costs and international trade tensions.
- ◆ Investment remains cautious, particularly in equipment and housing. High interest rates and uncertainty about regulations and trade policy are acting as a brake.
- ◆ Trade tariffs, expected regulatory changes, embargoes, geopolitical conflicts (including US policy towards the EU, China-US relations, etc.) generated uncertainty, which translated into delays in investment decisions and caution in export orders.
- ◆ In some Eurozone countries, differences in the rate of economic growth (e.g. between the countries of the north and the south) have become increasingly visible, which increases the risk to the cohesion of the entire zone.

Germany – situation in the first half of 2025:

- ◆ In 2025, no growth or a slight growth in the range of 0–0.4% is forecast (European Commission, IX 2025).
- ◆ Inflation in 2025 is expected to be around 2.0–2.2%, while core inflation remains higher – around 2.6–2.7% (Bundesbank).
- ◆ Germany continues to suffer the effects of two consecutive years of economic contraction/stagnation. GDP has shown virtually no significant recovery in the first half of 2025—growth is very moderate, with economic institutes forecasting growth of $\approx 0.2\%$.
- ◆ The industrial sector remains weak; industrial production and investment – particularly in machinery, production equipment and construction – are reduced compared to the years before the pandemic and the war.
- ◆ Despite the overall weakness of the economy, private consumption and service sector activity held up relatively better than industry. Consumer services (retail, food service, transportation, healthcare, education) played a significant role in stabilizing the economy's value added.
- ◆ Nevertheless, consumer sentiment remained moderate – inflation (even if declining) and the high cost of living limit the propensity for unnecessary spending.
- ◆ Despite the overall stability of employment, the first signs of a cooling trend are emerging: weaker demand for workers in industry, slightly higher unemployment than in the best of times, and slower growth in job offers. The shortage of skilled labor remains a barrier, particularly for companies operating in specialized and technical sectors.
- ◆ However, on the other hand, it should be emphasized that changes have been introduced in the German budget law (the so-called "debt brake"), enabling greater spending on defense and infrastructure, which should have a positive impact on the demand for the products of the Protektor Capital Group in the long run.
- ◆ Weaker external demand—particularly from the United States due to tariffs and the general instability of US trade policy—is limiting German exports of industrial and technological goods.
- ◆ International competition – especially from countries with lower production costs, which are gaining a cost advantage, which negatively affects the competitiveness of German exports, also in technological and industrial sectors.

Poland – situation in the first half of 2025:

- ◆ Poland's gross domestic product (GDP) in the first quarter of 2025 increased by 3.2% compared to the same period of the previous year, which was a better result than analysts expected.
- ◆ Consumer inflation in Poland remained at around 2.8% in the first half of 2025, which was a decline compared to the previous year.
- ◆ The unemployment rate in Poland remained one of the lowest in the European Union, at around 5.3% at the end of 2024.
- ◆ The Polish government forecast the public finance sector deficit in 2026 at 6.5% of GDP, which was an increase compared to the previous forecast of 5%.
- ◆ The Fitch rating agency maintained Poland's credit rating at A-, but changed the outlook to negative, pointing to the growing public finance sector deficit and limited ability to implement fiscal reforms.

France – situation in the first half of 2025:

- ◆ France's gross domestic product (GDP) grew by 0.8% in the first half of 2025, an improvement compared to the previous year.
- ◆ Consumer inflation in France was 0.7% year-on-year in May 2025, the lowest level since February 2021.
- ◆ The budget for the 2025 Paris Olympic Games exceeded €6.6 billion, which placed a significant burden on public finances.

Monetary policy / interest rates

- ◆ The European Central Bank (ECB) has ended its cycle of interest rate increases (ECB, September 2025).
- ◆ Interest rates are maintained at levels that allow for inflation control. Further cuts are possible, but depend on economic developments (ECB).
- ◆ Core inflation in the eurozone and Germany may remain elevated due to earlier increases in wages and labor costs.

Negative macroeconomic trends had a significant impact on the Protektor Group's operations during the period under review. Low economic activity and a deteriorating business climate limited demand from the manufacturing and service sectors – key customers for professional footwear.

Economic uncertainty and the difficult situation of enterprises resulted in more cautious purchasing decisions by both distributors and end customers, which had a direct impact on the Group's sales level and profitability.

PMI Manufacturing Sector – Germany

PL Manufacturing PMI - points



Source: tradingeconomics.com | S&P Global

PMI Manufacturing Sector – Poland

DE Manufacturing PMI - points



Source: tradingeconomics.com | S&P Global

PMI (Purchasing Managers' Index) is an indicator of the economic situation in the industrial sector, prepared by S&P Global based on monthly surveys conducted among around 420 German manufacturing companies.

The index is a weighted average of five components that reflect current activity in the industry: new orders, production, employment, delivery times, and inventory levels.

A reading above 50 points indicates improved conditions in the industrial sector compared to the previous month, while a reading below 50 points signals deterioration.

2.2. SAFETY FOOTWEAR MARKET IN WESTERN EUROPE

In 2025, the European safety footwear market is expected to experience dynamic growth while maintaining long-term stability, responding to changing economic and social conditions. The market in Western Europe is currently valued at approximately USD 8.27 billion, with a projected increase to USD 11.42 billion by 2029, representing a compound annual growth rate of approximately 8.4% (source: Research and Markets, 2025).

Market stability stems primarily from consistent compliance with occupational health and safety regulations in key sectors such as manufacturing, construction, and logistics. Growth is also supported by growing awareness among employers of the need to provide appropriate personal protective equipment. Safety footwear is no longer perceived solely as a protective element; increasing emphasis is being placed on comfort, attractive design, and technological innovation, further stimulating demand, especially in countries with mature economies.

At the same time, emerging economies are witnessing a growing awareness among management regarding occupational health and safety standards and the implementation of quality management systems, which also translates into an increased demand for professional protective products. Market stability in recent years has been further supported by the offsetting of declines in the industrial sector with increased activity in services such as transport and logistics, opening up new development opportunities for PPE (personal protective equipment) manufacturers.

In the long term, safety footwear replacement cycles remain relatively long, and sales levels remain stable, especially for established products. However, periods of economic slowdown and growing uncertainty lead to short-term demand fluctuations and structural market changes. In such conditions, companies extend footwear lifecycles, and consumer price sensitivity increases. As a result, established brands enjoy greater trust, over new, less recognizable solutions.

Producers with a diversified offer, targeted at various industries, are able to compensate for declines in one segment with growth in another, which promotes market consolidation and increases the competitiveness of the largest entities.

Operating in a post-pandemic environment and increasing digitalization have also transformed the way trade and distribution are conducted. Companies collaborating with supra-regional distribution partners, investing in professional product positioning, and developing e-commerce channels gain a competitive advantage by reducing service costs and increasing sales efficiency. Alternative communication channels, including social media, are also playing an increasingly important role, enabling direct contact with customers and effectively presenting their offerings.

In summary, the safety footwear market in Western Europe remains stable and promising in 2025. Its growth is driven by strict occupational health and safety regulations, technological innovations, changes in the employment structure, and growing awareness of quality and safety among employers.

Manufacturers who can flexibly respond to changing market conditions, offering high-quality products that meet the real needs of users, have a real opportunity to further strengthen their position and expand into new market segments.

2.3. IMPACT OF EXTRAORDINARY EVENTS ON THE GROUP'S ACTIVITIES

The impact of the war in Ukraine on the Group's activities

Like most other manufacturing companies, the Protektor Capital Group is grappling with problems stemming from uncertain international markets, the uncertain geopolitical situation resulting from the Russian-Ukrainian war, and the volatile relations between the United States and the European Union economies. The war's impact on the economic situation of the entire Protektor Capital Group was evident from its inception.

The most important effects of the invasion, which directly or indirectly still negatively affect the operations and results of the Capital Group, can be indicated as follows:

- ◆ Decrease in demand for footwear in selected segments served by the Capital Group (however, it should be emphasized that a sharp increase in expenditure on armaments and the rescue industry is expected in the coming years – which will be the result of recently developed programs to accelerate defense spending at the level of the entire European Union and in individual member states).
- ◆ The growing importance of the price factor in the product selection process, which results in increased competition from cheaper products from the Far East (especially after the reconstruction of supply chains after the Covid-19 pandemic).
- ◆ A significant increase in production costs – including: the costs of electricity and heat, as well as the costs of materials and services.
- ◆ A cautious approach by suppliers to cooperation with companies that are in a difficult financial situation (e.g. cooperation based on prepayments).

The assessment of the risk related to the war in Ukraine on the Group's operations is therefore multi-threaded and includes an analysis of the loss of raw material markets and sales, as well as achieving the expected level of revenues and costs from the Group's operating activities.

It's important to emphasize that the Protektor Capital Group does not sell its products directly to Russia and Belarus. Recently, steps have been taken to expand sales in the Ukrainian market. The Protektor Capital Group sources its raw materials and supplies from suppliers operating outside the areas affected by armed conflict.

The Protektor Capital Group is a manufacturer and distributor of specialized footwear, with a portfolio that includes military footwear, firefighting footwear, and footwear designed for various uniformed services. Recently, the Protektor Capital Group has been implementing initiatives to optimize operational processes to increase the availability of finished products while maintaining appropriate quality and attractive pricing. This stems from forecasts regarding the development of specialized footwear segments in the coming years, and primarily from plans being prepared and implemented at the level of NATO, the European Union, and its individual member states to increase spending on defense and related industries (firefighting, rescue) – as part of preparations for a possible escalation of the Russian-Ukrainian conflict to other countries.

The Board currently assesses the risk of the unrecognized Transnistrian Moldovan Republic becoming a focal point of Russian military operations as moderate. The situation is being monitored on an ongoing basis through regular Board visits to Transnistria, as well as ongoing analysis of the situation in both Transnistria and Moldova, a country aspiring to European Union membership.

The Board has analyzed possible scenarios for the development of the situation in the region and considers the current geopolitical situation, with a weakening role for Russia, to be the most likely scenario. Currently, neither Russia nor Moldova would benefit economically from the annexation of Transnistria. It is one of the poorest

regions in Europe, and a large portion of the population are retirees, which imposes a real budgetary burden. It is in Russia's interest to maintain the current status quo, i.e., political influence in Transnistria in order to destabilize the situation in the region through the media. Full political integration with Russia would result in the imposition of economic sanctions on Transnistria, which would prevent trade with the West. This would trigger an economic and humanitarian crisis in the region, as exports to the West account for approximately 70-75% of all goods and services produced in Transnistria. Despite the pro-Russian rhetoric of the current government and some citizens of the Republic, changing the current economic and political model would be contrary to their interests. Residents of Transnistria often hold one or more passports from countries in the Central and Eastern European region (including Romanian, Bulgarian and Israeli passports), which allows them to travel, among others, to European Union countries for work purposes.

Until December 31, 2024, Transnistria was supplied with free gas by Russia's Gazprom, but on January 1, 2025, Gazprom suspended gas supplies to Transnistria when Ukraine failed to extend its agreement with Russia for gas transit through its territory. In the short term, this led to significant reductions in electricity and heat supplies for both residential and industrial customers in the region. However, this had a limited impact on the operations of factories supplying footwear under the Abeba brand (a subsidiary of Rida and a former subsidiary of Terri-Pa). In January 2025, both plants operated night shifts in accordance with the municipal energy supply schedule. Meanwhile, the Transnistrian authorities concluded a short-term agreement with the Hungarian company MET Gas and Energy Marketing, a subsidiary of the Swiss MET Group, for gas supplies to the Moldovan corporation Moldovagaz. The European Union offered Transnistria €60 million in aid for energy supplies, but the offer was rejected. Currently, gas is supplied to Transnistria thanks to a loan from Russia and cooperation with the Russian Ministry of Energy. Within the prepared scenarios, the Management Board considers the risk of trade disruption with factories to be high only in a scenario where Russian troops advance westward in the Odessa Oblast.

In implementing this scenario, the Management Board will launch a plan that assumes the immediate securing of production equipment, materials and work in progress currently located in Transnistria factories.

- ◆ Part of the footwear production under the Abeba brand will be launched at the factory in Lublin, which has recreated production equipment for selected lines currently produced at the Terri-Pa factory.
- ◆ Additionally, it is possible to outsource selected footwear models to external manufacturers, including those outside Europe. In this case, it will be necessary to recreate selected production molds and ensure appropriate quality control of materials and production processes.

If the annexation scenario of Transnistria were to materialize, Russian actions to nationalize entities with Western capital cannot be ruled out, which would mean a complete loss of control over the Rida subsidiary. The Management Board cannot rule out such a development, but considers it unlikely in the current situation. The Management Board believes there is currently no risk of the Group's operations being disrupted due to the ongoing military conflict in Ukraine. The Management Board does not currently identify any risk of a direct impact of the armed conflict on the production process, nor does it identify any significant negative impact on the sales of its products in Poland and other European countries. The Management Board of PROTEKTOR SA remains in direct contact with the management of the Transnistria companies and continuously analyzes incoming information to quickly and effectively respond to the changing situation.

Change in US policy towards the European Union

The election of Donald John Trump as the 47th President of the United States in 2025, and his decisions after his inauguration on January 20, 2025, in the first half of 2025, indicate that the United States will radically change its relations with its partners in NATO and the European Union member states, as well as with other existing partners. These changes include, in particular:

- ◆ **A change in the approach to supporting Ukraine in the war initiated by the Russian Federation.** In May 2025, an agreement was concluded between the United States and Ukraine. It is worth noting that the administration of US President Donald Trump resumed arms deliveries to Ukraine, the AP reported on July 9, 2025, citing US officials. On August 18, 2025, an emergency multilateral meeting was held at the White House—including European leaders and President Zelensky—to discuss security guarantees for Ukraine and actions against Russia. In September, Russian strikes focused on military and energy targets in Ukraine, increasing pressure on infrastructure systems. The US stance on the conflict began to shift—Trump publicly stated that Ukraine could regain all lost territories with NATO and EU support. He described Russia as a "paper tiger." September 22, 2025: Russia declared its readiness to extend the New START nuclear arms control treaty for another year—despite the suspension of inspections.
- ◆ **Current situation regarding relations between the USA and the European Union (as of September 2025).** The United States and the European Union remain one of the most important trade and investment partnerships in the world, with a combined direct investment stock exceeding \$5 trillion. In 2025, the main challenges remain tariff tensions, retaliatory measures, and attempts to reach a new "framework" trade agreement that will redefine the rules of cooperation. Relations are not limited to tariffs alone; areas such as technical standards, recognition of norms, non-tariff barriers, supply chains, and policies in strategic sectors (technology, energy) are becoming increasingly important. For most goods imported from the European Union into the United States, the customs tariff is set at a maximum of 15%. Tariffs on steel and aluminum remain separate (up to 50%). The United States and the European Union are committed to cooperation in non-tariff areas: recognition of technical standards (especially in the automotive industry), simplification of customs and sanitary-phytosanitary procedures, a common energy policy, recognition of conformity assessment bodies, investment policy, and supply chain security. The European Union's declarations include plans to purchase US energy (gas, oil, nuclear products) worth USD 750 billion in the years to 2028 and EU investments in the US at the level of USD 600 billion in strategic areas.

The lack of full stability in relations between the USA and the European Union leads to an acceleration of actions aimed at rearming the European Union countries.

The chart below shows the planned increase in defense spending in the European Union:



Historically, defense spending in the European Union has been steadily growing at a rate of 9% annually since 2015. According to data from the European Defense Agency, further real-terms spending growth is expected to exceed €100 billion by 2027.

Since 2014, NATO member states have had a defense spending target of 2% of their GDP. Collectively, defense spending among the 23 EU member states in NATO exceeded the 2% of GDP target after spending was increased by 30% following Russia's invasion of Ukraine in February 2022. The NATO summit in The Hague concluded in June 2025. NATO leaders committed to increasing defense spending to 5% of GDP by 2035. Under this target,

member states are to allocate 3.5% of GDP to basic defence needs and an additional 1.5% to investments such as cybersecurity, military mobility and critical infrastructure.

The planned increase in defense spending in Europe (increase in the number of professional soldiers, additional equipment for other uniformed services in the event of an armed conflict with the Russian Federation) is being analyzed by the Protektor Capital Group, as an entity supplying military and specialized footwear, including for uniformed services.

Food service markets and healthcare

The Abeba brand addresses its offer to various segments related to the hotel and catering industry and the broadly understood healthcare sector (hospitals, nursing homes, medical industry, laboratories, veterinary medicine).

In the hotel and catering segments, trends are currently being observed that should have a positive impact on the development of companies providing services and products for the entire sector in the near future:

- ◆ The popularity of online delivery platforms is driving market growth - the growing importance of online delivery platforms, including food delivery companies, is positively impacting the restaurant and catering industry, contributing to an increase in the number of orders and, therefore, increased restaurant revenues.
- ◆ Growth in tourism is increasing demand for hospitality and catering services – the tourism industry is driving demand for accommodation, food, and catering services. According to forecasts, global spending on international travel will increase by 56% in real terms by 2030.
- ◆ Market Rebounds from COVID-19 Pandemic and Continues to Grow – The HoReCa market in Europe is rebounding from declines caused by the COVID-19 pandemic. Further growth is forecast.

Similarly, positive trends are visible in the broadly understood healthcare sector:

- ◆ An ageing population increases demand for healthcare services – the demand for healthcare services in Europe will increase in the coming decades as the percentage of citizens aged 65 and older increases noticeably, increasing the number of patients requiring healthcare.

Growing demand for healthcare workers – The European healthcare sector is projected to experience the most significant increase in workforce demand by 2030, with the potential to add approximately 3.7 million jobs. This growth will be driven primarily by the growing demand for medical assistants and healthcare workers.

Analysis of the impact of extraordinary factors on the valuation of assets and liabilities

Impairment of tangible fixed assets or intangible assets

Due to the ongoing war in Ukraine, analyses of key assets performed in the Company as at June 30, 2025 in accordance with IAS 36 "Impairment of Assets" did not provide any indication of a significant risk of impairment of assets and their impact on future estimated cash flows.

Credit assessment

The Group conducted an analysis of the war's impact on the level of credit risk to which it is exposed from its counterparties. As of the date of approval of this report for publication, no significant deterioration in repayment performance, increase in bankruptcies, or restructurings among the Group's clients were observed.

Given the lack of exposure to the Russian and Belarusian markets, the Management Board expects that the collectability of receivables reported in the statement of financial position as of June 30, 2025, will remain

substantially unchanged. Therefore, no changes have been made to the assumptions used in the models for estimating and calculating credit losses in accordance with IFRS 9.

Liquidity situation

As at the balance sheet date and at the time of approval of this report for publication, the financial situation of the Protektor Capital Group is subject to an increased risk of losing liquidity in the absence of further internal optimisation measures and the planned increase in share capital not being implemented.

In point 2.4. Business risks, sub-point Liquidity risk, the actions taken by the Company to improve its capital situation and ensure its continued ability to implement investment projects and orders under tender procedures are described in more detail.

Other accounting estimates

As at the date of approval of these financial statements for publication, the Group does not identify any significant risks related to a potential breach of the terms of signed commercial agreements.

2.4. BUSINESS RISKS

Risk management at the Protektor Capital Group includes systematic activities in the field of monitoring, controlling and taking corrective actions in the areas of financial and operational risk.

Financial risk results from the financial instruments held by the Group, which include: bank loans and borrowings, leasing agreements, cash, trade receivables and payables arising directly from operating activities.

On this basis, the following financial risk groups were identified:

- ◆ Credit risk – related to the insolvency of contractors,
- ◆ Exchange rate risk – resulting from changes in foreign currency exchange rates (in particular EUR and USD),
- ◆ Interest rate risk – relating to the variability of financing costs (loans, leasing),
- ◆ Liquidity risk – related to the ability to settle liabilities on time.

Due to operating in a dynamically changing economic environment, and taking into account the specific nature of the industry and business, the Management Board has also identified a number of operational risks, which are covered by a separate risk management policy. The policy aims to avoid or minimize losses, protect profitability, increase revenues, and improve operating margins.

The Group's operations may also be affected by risks of an unusual or extraordinary nature that are difficult or impossible to predict. Such cases are described in detail in section 3.3 "Significant events in the first half of 2025" of this report.

Credit risk

Credit risk is the risk of financial losses resulting from the failure of a client or counterparty (a party to a financial instrument) to fulfill its contractual obligations.

At the Protektor Group, credit risk is primarily focused on: the timely collection of receivables from customers and the level of cash and cash equivalents accumulated in bank accounts.

With respect to collaboration with entities outside the Group, a procedure is in place to verify the counterparty's credibility before signing a commercial contract. This process includes assessing the counterparty's ability to timely settle financial obligations.

In the case of receivables from contractors with an increased risk of insolvency, the Group:

- ◆ Monitors due dates on an ongoing basis,
- ◆ Carries out debt collection activities to effectively enforce payments.

Thanks to the implemented procedures and prudential policy, the Group actively limits credit risk affecting its financial results and operating liquidity.

Current asset items as at June 30, 2025 and December 31, 2024 are presented in the table below:

Specification	per day 30/06/2025	per day 31/12/2024
Trade receivables	7,422	4,071
Other receivables	2,522	1,847
Cash and cash equivalents	604	1,945

The maturities of current assets as at June 30, 2025 and December 31, 2024 are presented in the table below:

Specification	Book value	as of June 30, 2025, including:			Book value	as of December 31, 2024, including:		
		< 1 month	1 - 3 months	1 year >		< 1 month	1 - 3 months	1 year >
Cash on hand	8	8	-	-	22	22	-	-
Cash in bank accounts	571	571	-	-	1,905	1,905	-	-
Other	25	25	-	-	17	17	-	-
Together	604	604	-	-	1,945	1,945	-	-

The age structure of receivables as at 30 June 2025 and 31 December 2024 is presented in the tables below:

Specification	Gross value 30/06/2025	Write-down 30/06/2025	Net worth 30/06/2025
Not required	8,734	-	8,734
Past due from 0 to 30 days	944	-	944
Past due between 31 and 90 days	101	-	101
Past due between 91 and 180 days	82	-	82
Past due from 181 to 365 days	105	(22)	83
Overdue for more than 1 year	66	(66)	-
SUM	10,032	(88)	9,944

Specification	Gross value 31/12/2024	Write-down 31/12/2024	Net worth 31/12/2024
Not required	4,956	-	4,956
Past due from 0 to 30 days	453	-	453
Past due between 31 and 90 days	365	-	365
Past due between 91 and 180 days	125	-	125
Past due from 181 to 365 days	25	(12)	13
Overdue for more than 1 year	49	(43)	6
SUM	5,973	(55)	5,918

The age structure of liabilities as at 30 June 2025 and 31 December 2024 is presented in the table below:

Specification	Gross value 30/06/2025	Gross value 31/12/2024
Not required	9,494	6 420
Past due from 0 to 30 days	2,369	1,261
Past due between 31 and 90 days	645	937
Past due between 91 and 180 days	748	504
Past due from 181 to 365 days	392	1,220
Overdue for more than 1 year	567	294
SUM	14 215	10,636

Interest rate risk

The Protektor Group has liabilities arising from bank loans, borrowings and leasing agreements for which interest is calculated based on a variable interest rate.

Liabilities arising from the lease of production halls and office buildings, as well as parts of leased vehicles and office equipment, are not subject to interest rate risk because their financial cost is based on a fixed interest rate.

As of June 30, 2025, the Group's liabilities based on variable interest rates constituted 75.6% of total financial liabilities.

The Group did not use hedging instruments to limit its exposure to interest rate risk.

Sensitivity analysis

The impact of potential interest rate changes on the level of interest costs is presented in the table below:

Interest rate change	-5.00%	-1.00%	0.00%	1.00%	5.00%
Change in interest costs	(977)	(195)	-	195	977

◆ Negative amounts mean a reduction in interest costs, which has a positive impact on the net result.

◆ Positive amounts indicate an increase in costs, which negatively affects the net result.

Assumptions made in the analysis:

◆ Debt from credits, loans and leases was assumed at a constant level as at June 30, 2025.

◆ The calculation does not take into account changes in the cost of money over time or possible renegotiations of contracts.

Exchange rate risk

The Group is exposed to currency risk arising from transactions denominated in foreign currencies. In the first half of 2025, the main sources of currency risk included:

◆ purchases of raw materials and components from foreign suppliers,

◆ sales of products on export markets,

◆ intra-group settlements, including dividends received and repayments of receivables from subsidiaries.

The main currency for foreign transactions was and remains the EUR.

In the first half of 2025, the Group did not use any currency risk hedging instruments, such as forward contracts, currency options or swaps.

Sensitivity analysis

The tables below present the impact of a hypothetical 5% change in foreign exchange rates on the Group's financial results and equity. The analysis includes only outstanding monetary positions in foreign currencies, translated as of the balance sheet date. The assumed exchange rate volatility ($\pm 5\%$) reflects Management's assessment of potential exchange rate fluctuations.

A positive value means an increase in net profit and equity (when PLN strengthens). A negative value means their decrease (when PLN weakens).

Specification	Currency assets	Rate change +5%	Gross impact on profit	Rate change -5%	Gross impact on profit
Currency assets expressed in EUR thousand	1,954				
Currency assets expressed in thousands of USD	7				
Currency assets expressed in thousands of PRB*	164				
Currency assets expressed in foreign currencies after conversion into PLN thousand	8,352	8,770	418	7,934	(418)
The total effect of the rate increase			418		(418)
Tax effect 19%			80		(80)
Net effect of the increase in exchange rates (impact on the financial result)			338		(338)

*Transnistrian ruble

Specification	Currency liabilities	Rate change +5%	Gross impact on profit	Rate change -5%	Gross impact on profit
Currency liabilities expressed in EUR thousand	3,255				
Currency liabilities expressed in thousands of USD	9				
Currency liabilities expressed in thousands of PRB*	2,616				
Currency liabilities expressed in foreign currencies after conversion into PLN thousand	14,426	15 148	(722)	13,704	722
The total effect of the rate increase			(722)		722
Tax effect 19%			(138)		138
Net effect of the increase in exchange rates (impact on the financial result)			(584)		584

*Transnistrian ruble

Specification	Net profit/loss	Rate change +5%	Gross impact on profit	Rate change -5%	Gross impact on profit
Net profit (loss) expressed in EUR thousand	436				
Net profit (loss) expressed in thousands of EUR after conversion into thousands of PLN	1,839	1,931	92	1,747	(92)
The total effect of the rate increase			92		(92)
Tax effect 19%			18		(18)
Net effect of the increase in exchange rates (impact on the financial result)			74		(74)

Liquidity risk

The risk of losing financial liquidity may occur in the event of a disruption in the relationship between current operating income and liabilities arising from production, investments and fixed costs.

The main threats to financial liquidity include:

- ◆ insufficient sales revenues compared to production costs and other current liabilities,
- ◆ the need to finance tender and investment projects,
- ◆ debt obligations, including loans and leases.

Available sources of financing

In June 2025, PROTEKTOR SA's credit agreements were extended and as at the balance sheet date, the company had the following active credit agreements and financial lines with mBank SA:

- ◆ Flexible revolving loan – limit: PLN 7,300,000,
- ◆ Electronic loan for repayment of liabilities – limit: PLN 2,500,000,
- ◆ Multi-product line – limit: PLN 2,025,000 (including: overdraft limit: PLN 320,000, guarantee line: PLN 1,705,000),
- ◆ Guarantee lines – limit: PLN 749,000,
- ◆ Revolving credit facility – limit: PLN 2,000,000 (contract extension in August 2025).

As of June 30, 2025, ABEBA and ABEBA France had overdraft lines of credit with a total value of EUR 2,000 thousand.

Despite the extension of the loan agreements, the risk of losing liquidity remains real, assuming that the optimisation measures are not effectively implemented and the planned share capital increase is not implemented.

Risk assessment and actions taken

The Management Board is undertaking a number of optimization activities, including:

- ◆ reduction of operating costs, in particular external services and employment,
- ◆ sale of unnecessary assets,
- ◆ limiting the wide product range of the Protektor and Grom brands,
- ◆ development of project sales – production "to order", minimization of inventories,
- ◆ diversification of markets and contracts – searching for larger, homogeneous export orders,
- ◆ obtaining new, larger orders, in particular within the framework of public procurement procedures.

Additionally:

- ◆ On March 27, 2025, the Management Board of PROTEKTOR SA adopted a resolution to increase the share capital by issuing series E shares (3,804,319 shares with a total nominal value of PLN 1,902,159.50),
- ◆ On March 28, 2025, an agreement for the acquisition of series E shares was concluded with Luma Holding Limited,

- ◆ On June 16, 2025, the Extraordinary General Meeting of PROTEKTOR SA adopted a resolution enabling a further increase in the share capital to PLN 8,000,000.00 by issuing up to 16,000,000 ordinary bearer shares (nominal value: PLN 0.50).
 - The increase in the share capital of PROTEKTOR SA in 2025 is also necessary due to the provisions contained in the annex to the loan agreement concluded with mBank SA, concerning a revolving loan intended to finance contracts carried out as part of tender procedures for public entities. Under the concluded annex, mBank agreed to extend the possibility of using the loan until May 31, 2026, and to extend the final repayment date of the loan until June 30, 2026. The above conditions are conditional on the Company fulfilling the capital commitment, according to which: "Luma Holding Limited with its registered office in St. Julians, Level 2, Luxe Pavilion, Portomaso Complex, STJ 4010 St. Julians, Malta, entered in the Maltese Registry of Companies under number C76225, being a shareholder of [the Company], will provide capital financing to [the Company] by increasing the share capital of [the Company] by a total amount of not less than PLN 4,000,000.00, and the cash contribution to cover this increase will be made in full in cash. The first increase in the share capital by an amount of not less than PLN 2,000,000.00 will be carried out by 28 November 2025 ("Increase No. 1"), and the second increase in the share capital by an amount of not less than PLN 2,000,000.00 will be carried out by February 27, 2026 ("Increase No. 2")." Maintaining this loan is crucial to ensuring the Company's current financial liquidity, as well as to continue participating in the public procurement system, in particular in the implementation of projects requiring significant capital and production involvement.

Despite the available financing lines and recapitalization, the risk of losing liquidity at PROTEKTOR remains real, especially in the event of limited market demand or incomplete or delayed implementation of optimization measures.

The Management Board, being aware of these threats, has been conducting an intensive analysis of strategic scenarios since the second half of 2024 and monitoring all key liquidity areas, taking actions to secure the continuation of operating activities over the next 12 months.

Risk related to the supply of materials and raw materials for production

The risk related to the supply of materials and raw materials for production includes in particular:

- ◆ risk of dependence on a limited number of suppliers (poor market diversification),
- ◆ the risk of increases in the purchase prices of raw materials and external services, affecting the level of costs of sales.

In the opinion of the Management Board, the Group is not currently exposed to a significant risk of dependence on key suppliers due to its relatively well-developed purchasing network.

Purchases of production materials and components are made within several basic raw material groups, such as: leather, uppers, insoles and insole materials, adhesives, metal accessories, and linings.

Unpredictable changes in the purchase prices of materials, raw materials, and services may lead to reduced product profitability and negatively impact the Group's financial results. To mitigate price risk, the Group employs mechanisms such as adapting its sales pricing policy to changes in purchasing costs and entering into agreements with suppliers that include pricing formulas that limit unfavorable price fluctuations.

In order to increase purchasing security and production continuity, the Protektor Group systematically expands its database of potential suppliers, deepens relationships with existing partners, and obtains appropriate certificates and approvals for key footwear models, which enables the use of components from many alternative suppliers.

Risk of dependence on key clients

The risk of dependence on key customers is the potential threat of losing a significant portion of sales revenues in the event of termination or limitation of cooperation with one or more large customers whose share in sales is significant from the point of view of the Group's total revenues.

The fragmentation of external customers and the diversified order portfolio of companies belonging to the Protektor Capital Group limit the risk of significant dependence on individual contractors.

In the first half of 2025, sales to the Tax Administration Chamber in Zielona Góra accounted for 11% of the Group's total sales revenue, which results from the implementation of a large tender contract concluded in the second half of 2023.

Apart from the above-mentioned customer, the share of sales to any other single external customer did not exceed 10% of the Group's total revenues.

Risk related to the procedures and conditions for awarding public tenders

This risk refers to potential threats arising from participation in the public procurement system, encompassing both the bidding process and contract execution. It includes the risk of establishing suboptimal pricing terms, difficulties in delivering deliveries on time and in accordance with the contract, as well as the risk of contractual penalties or losses resulting from unprofitable contracts.

Main sources of risk in the Protektor Capital Group:

- ◆ Price pressure and strong competition – leads to offering very low prices, often at the break-even point.
- ◆ Differences between the calculation and actual costs may lead to lower than expected profitability or losses.
- ◆ Accumulation of orders – simultaneous execution of many tenders may overload production capacity.
- ◆ Material or logistics shortages – negatively impact on timely deliveries.
- ◆ Contractual Penalty Provisions – Delays, product defects or other breaches may result in contractual penalties (e.g. financial penalties, product replacement).
- ◆ Reputational risk and exclusion from future proceedings – in the event of improper execution of contracts.

For the Protektor Capital Group, participation in tenders and the execution of public procurement contracts is handled through PROTEKTOR SA. Public tenders constitute a significant sales channel and source of revenue, particularly for specialized, uniform, and military footwear. At the same time, they involve significant operational and financial risks. Precise calculation, production planning, and strict quality control are crucial. Protektor SA takes conscious steps to mitigate the potential negative effects of participating in the public procurement system.

Risk related to the tax system

The risk related to the tax system refers to the uncertainty resulting from the possibility of a different interpretation of tax law provisions and other regulations related to public law obligations (in particular social

security and health insurance contributions) by the tax authorities in relation to the position adopted by the companies of the Protektor Group.

The Management Board does not currently anticipate any significant threats in this area, however, the risk of unfavorable interpretations or decisions being issued by tax administration authorities cannot be completely ruled out.

The Company exercises due diligence in the following areas:

- ◆ ongoing monitoring of changes in tax regulations,
- ◆ using the services of tax and legal advisors,
- ◆ applying individual interpretations (if deemed justified),
- ◆ keeping accounting records in accordance with the principle of prudence and applicable legal provisions.

The Management Board hereby informs that the Capital Group's operations in Germany are subject to periodic tax audits conducted by the German tax office. In accordance with applicable regulations, tax audits in Germany are conducted every three years.

The most recent completed audit covered the 2015–2017 tax years and was concluded in April 2023. This proceeding was favorable for the Group and resulted in the refund of overpaid income tax to the subsidiary Inform Brill GmbH.

General economic and political risk

General economic and political risk is the risk of the impact of unfavorable changes in the macroeconomic environment and the geopolitical situation on the Group's operations, financial results, liquidity and development prospects.

Economic factors:

- ◆ inflation and rising business costs (e.g. energy, raw materials, labor),
- ◆ interest rate volatility,
- ◆ economic slowdown or recession,
- ◆ disruptions in supply chains,
- ◆ limitations on the availability of raw materials (especially energy and critical ones),
- ◆ instability of financial and currency markets.

Political and geopolitical factors:

- ◆ armed conflicts (e.g. war in Ukraine, Middle East),
- ◆ tensions between the US, China and the EU,
- ◆ economic and financial sanctions,
- ◆ protectionist policies and tariff wars (e.g. US–EU, US–China),
- ◆ the situation in the Transnistrian region and Moldova (significant due to the activities of the subsidiary).

The Group generates revenues mainly on the domestic market and in Western European countries, including Germany, which makes it sensitive to economic and political changes in these regions.

Armed conflicts and international tensions can lead to increased operating costs, inflation and reduced availability of materials.

Changes in the EU and Polish armaments policy may have a positive impact on the potential increase in demand for military and specialized footwear – which constitutes a development opportunity.

The ongoing instability in the Transnistrian region (Moldova) poses a potential operational and logistical risk due to the presence of one of the Issuer's subsidiaries.

General economic and political risk is systemic in nature and difficult to eliminate. The Company can only mitigate its effects through appropriate strategic actions, scenario analyses, and flexible responses to changes in the macroeconomic environment. Given the specific nature of the Company's operations, this risk represents both a threat and a potential development opportunity, particularly in the context of rising defense spending in Europe.

2.5. FACTORS THAT MAY AFFECT THE ACTIVITIES OF THE PROTEKTOR CAPITAL GROUP

Positive factors

- ◆ Reconstruction of the collection structure for the Protektor, Abeba and GROM brands, including refreshing the image of own brands and the successive introduction of new products to the market, with particular emphasis on the ABEBA brand and models dedicated to tenders for large institutional customers, such as the army or the police.
- ◆ Intensification of marketing and sales activities in the HoReCa and industrial foodservice sectors. Participation in the A+A trade fair in Düsseldorf in October 2025 is planned.
- ◆ Increased activity in the area of public tenders, resulting in the signing of contracts for the supply of footwear for the Police, Army, Customs and Tax Service, which will translate into additional revenues for the Group.
- ◆ Improving communication processes and cooperation between entities within the Protektor Capital Group.
- ◆ Increased defense spending in Europe and in selected countries around the world.
- ◆ The concentration of the safety footwear market and the dominance of a few major players creates opportunities for manufacturers offering new models of high quality and competitive prices, standing out in a market saturated with a uniform offer.
- ◆ Economic interventionism that may affect the implementation of infrastructure projects, which may result in increased demand for footwear in the construction segment.
- ◆ Deliveries made for the needs of Western European armies are carried out by foreign affiliates of PROTEKTOR SA (e.g. military units in Austria and Germany).
- ◆ Recapitalization by Luma Holding Limited – capital support from the main shareholder has a positive impact on the Group's financial liquidity and creditworthiness.

Negative factors

- ◆ Negative changes in the macroeconomic environment, such as inflation, rising interest rates and the crisis on raw materials markets, resulting from the military operations in Ukraine conducted by the Russian Federation.

- ◆ The deepening trade and political conflict between the United States and the European Union.
- ◆ Problems related to the availability and quality of production materials, especially leather, and production services, especially the preparation and sewing of uppers.
- ◆ Increased costs of developing production equipment, labor costs, electricity and transportation costs, including increased fuel prices.
- ◆ Exchange rate volatility affecting sales revenues and operating costs.
- ◆ Decline in demand for personal protective equipment (PPE) in the manufacturing sector, caused by a decline in business sentiment and disruptions in the supply chains of production components.
- ◆ An unfavorable climate for implementing new product lines, resulting from market uncertainty and companies' focus on survival, which reduces the willingness to test innovations.
- ◆ Price pressure from competitors outside the European market.
- ◆ Underutilization of the machinery park in the Polish factory, requiring further optimization in the context of the operations of the entire Group, including the factories in Transnistria.
- ◆ The location of footwear production, which accounts for approximately 75% of the Group's turnover, in Transnistria, carries a risk related to the potential inclusion of the region in the axis of the conflict in Ukraine (including a temporary shutdown of gas supplies in January 2025) and the uncertain political situation in Moldova before the planned parliamentary elections to the unicameral parliament on September 28, 2025 (particularly important considering, on the one hand, Moldova's EU aspirations and, on the other, the impact of the Russian Federation's actions on public opinion, as well as deep political and social divisions in Moldova itself, making the future of the country uncertain).

Events after the balance sheet date

✓ Conclusion of important public procurement contracts

On **August 13, 2025** The Management Board of PROTEKTOR SA announced (RB 30/2025) that in the open tender announced by the Chief Commander of the Police for the execution of the contract entitled: "Conclusion of a framework agreement for the production and delivery of service boots for a period of 36 months", the offer of the PROTEKTOR Company was selected as one of the three most advantageous offers within the meaning of Article 239, paragraph 2 of the Public Procurement Law, with which bidders are to conclude framework agreements.

The framework agreement was signed on **August 26, 2025** (RB 40/2025). Individual orders may include between 1,000 and 3,000 pairs of service boots delivered to Police organizational units. The total value of funds the Ordering Party intends to allocate for the contract is PLN 18,750,000 gross.

On **September 3, 2025** PROTEKTOR SA has been informed that the Company's offer has been selected as the most advantageous (in reference to CR 30 and 40/2025). The implementation agreement will be signed in accordance with the terms specified in the already concluded framework agreement. The subject of the proceedings under Request No. 1 is the delivery of 3,000 new pairs of service boots, from current production. The value of the offer submitted by the Issuer was PLN 1,466,000 gross. The subject of the proceedings under Request No. 2 is the delivery of 3,000 new pairs of service boots, from current production. The value of the offer submitted by the Issuer was PLN 1,482,000 gross. The order completion deadline is 90 calendar days from the date of signing the implementation agreement. On September 22, 2025, the Company concluded an agreement for the implementation of the order under Request No. 1 (CR 48/2025). On September 23, 2025, the Company concluded an agreement for the execution of the order under inquiry No. 2 (RB 49/2025).

On **August 27, 2025** The Management Board of PROTEKTOR SA informed (RB 41/2025) that it received information about the selection of the offer of the PROTEKTOR Company as the most advantageous in the procedure for awarding a public contract in an open tender under the name "Supply of uniforms for officers of PKP Polskie Linie Kolejowe SA of the Main Headquarters of the Railway Protection Guard in the years 2025-2026" for PKP Polskie Linie Kolejowe SA with its registered office in Warsaw in the scope of lot no. 5 of the public contract.

The contract covers the delivery of 2,400 pairs of summer shoes and 2,200 pairs of tactical boots to the Ordering Party's organizational units. The value of the offer submitted by the Issuer and selected as the most advantageous is PLN 2,178,000 gross. The completion deadline will be 16 months from the date of the contract.

On **September 15, 2025** The Management Board of PROTEKTOR SA informed (RB 47/2025), that in the public procurement procedure conducted as an open tender entitled "Supply of Navy training shoes, model 914/MON," announced by the 1st Regional Logistics Base in Wałcz, the offer from PROTEKTOR was selected as the most advantageous. The value of the offer submitted by the Company was PLN 1,643,000 gross and covers 4,000 pairs of training shoes. On September 24, 2025, the Company concluded an agreement with the State Treasury – 1st Regional Logistics Base.

✓ **Conclusion of annexes to loan agreements**

On **August 29, 2025** The Management Board of PROTEKTOR SA announced (CR 42/2025) that PROTEKTOR and mBank SA have entered into Annex No. 2 to the Revolving Credit Agreement for Contract Financing dated March 6, 2024, as amended. In order to ensure the continuity of financing for the Company's operations, including through bank loans, the Management Board has negotiated new financing terms with the Bank, which will be implemented under the relevant annex. The repayment date of the used credit will be extended to the final repayment date of the Credit, i.e., June 30, 2026. The Company will not be able to reuse the credit funds in the event of early repayment.

✓ **Shareholders**

On **August 20, 2025** The Management Board of PROTEKTOR SA informed (RB 32/2025) that PROTEKTOR received notifications from Luma Holding Limited of share disposal transactions referred to in Article 19 section 1 of the MAR Regulation, performed on the Company's shares on 18, 19 and 20 August 2025.

On **August 20, 2025** The Management Board of PROTEKTOR SA informed (RB 33/2025) that PROTEKTOR received a notification from the shareholder Luma Holding Limited, informing about a change in the shareholding held by the shareholder by at least 1% of the total number of votes.

On **August 22, 2025** The Management Board of PROTEKTOR SA informed (RB 37/2025) that PROTEKTOR received notifications from Luma Holding Limited of share disposal transactions referred to in Article 19 section 1 of the MAR Regulation, performed on the Company's shares on August 20 and 21, 2025.

On **August 26, 2025** The Management Board of PROTEKTOR SA informed (RB 38/2025) that PROTEKTOR received notifications from Luma Holding Limited of share disposal transactions referred to in Article 19 section 1 of the MAR Regulation, performed on the Company's shares on August 22, 2025.

On **August 26, 2025** The Management Board of PROTEKTOR SA informed (RB 39/2025) that PROTEKTOR received a notification from the shareholder Luma Holding Limited, informing about a change in the shareholding held by the shareholder by at least 1% of the total number of votes, as a result of transactions carried out on August 20, 21 and 22, 2025.

On **September 2, 2025** The Management Board of PROTEKTOR SA announced (RB 43/2025) that PROTEKTOR received notifications from Luma Holding Limited of share disposal transactions referred to in Article 19 section 1 of the MAR Regulation, performed on the Company's shares on August 27 and 28, 2025. Furthermore, the Company announces that on September 2, 2025 it received from Luma Holding Limited a correction of the notification of transactions referred to in Article 19 section 1 of the MAR Regulation, performed on the Company's shares on August 28, 2025.

✓ **Extraordinary General Meeting**

On **July 25, 2025** The Management Board of PROTEKTOR SA informed (RB 28/2025) about convening the Extraordinary General Meeting of the Company on August 21, 2025.

On **August 21, 2025** The Extraordinary General Meeting of Shareholders of the Company was held, during which resolutions were adopted on the appointment of Members of the Supervisory Board of PROTEKTOR SA (RB 34/2025).

✓ **Supervisory Board**

On **August 19, 2025** (RB 31/2025):

- ◆ Mr. Jarosław Palejko – Chairman of the Supervisory Board,
- ◆ Mr. Wojciech Sobczak – Deputy Chairman of the Supervisory Board,
- ◆ Mr. Tomasz Krześniak – Member of the Supervisory Board,

resigned from their membership in the Supervisory Board of the Company with effect from August 21, 2025.

On **August 21, 2025** (RB 35/2025), during the Extraordinary General Meeting of Shareholders, the following persons were appointed to the Supervisory Board of PROTEKTOR SA:

- ◆ Mr. Maciej Kolon,
- ◆ Mrs. Aleksandra Zamasz,
- ◆ Mrs. Dominika Welon,

as Members of the Supervisory Board of the Company.

On **September 3, 2025** (RB 46/2025) The Supervisory Board adopted resolutions pursuant to which:

- ◆ Ms. Aleksandra Zamasz was elected Chairwoman of the Supervisory Board,
- ◆ Mr. Zarzycki – Deputy Chairman of the Supervisory Board,
- ◆ Ms. Dominika Welon – Secretary of the Supervisory Board.

The Supervisory Board of PROTEKTOR SA has appointed new members to the Audit Committee from among its members. The following persons have been appointed to the Audit Committee:

- ◆ Ms. Aleksandra Zamasz – Chairwoman of the Audit Committee,
- ◆ Mr. Maciej Kolon – Member of the Audit Committee,
- ◆ Mr. Krzysztof Matan – Member of the Audit Committee.

✓ **Company Statute**

On **August 1, 2025** The Management Board of PROTEKTOR SA informed (RB 29/2025) that it received information about the registration on July 31, 2025 by the District Court Lublin-Wschód in Lublin with its registered office in

Świdnik, 6th Commercial Division of the National Court Register of changes to the Articles of Association of PROTEKTOR adopted by the Extraordinary General Meeting of the Company under resolution No. 3/2025 of June 16, 2025.

3. Results and financial situation of the Protektor Capital Group

3.1. PROFIT AND LOSS ACCOUNT

Specification	from 01/01/2025 to 30/06/2025	from 01/01/2024 to 30/06/2024	Change %
	in thousands PLN	in thousands PLN	
Sales revenue	39,853	44,847	-11.1%
Cost of sales	(26,257)	(29,667)	-11.5%
Gross profit (loss) on sales	13,596	15 180	-10.4%
Selling costs	(5,605)	(6,244)	-10.2%
General administrative expenses	(6,781)	(7,633)	-11.2%
Other operating income	490	290	69.0%
Other operating costs	(3,623)	(2,318)	56.3%
Profit (loss) from operating activities	(1 923)	(725)	165.2%
Financial income	4	100	-96.0%
Financial costs	(946)	(1,157)	-18.2%
Profit (loss) before tax	(2,865)	(1,782)	60.8%
Tax	(1,388)	(1,003)	38.4%
Net profit (loss)	(4,253)	(2,785)	52.7%
- attributed to shareholders of the parent entity	(4,280)	(2,814)	52.1%
- attributed to minority shareholders	27	29	-6.9%

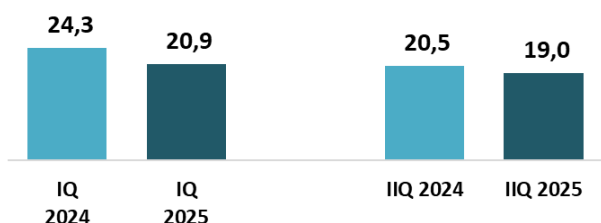
Sales revenue

In the first half of 2025, the Protektor Capital Group achieved sales revenues of PLN 39.9 million, which means a decrease of PLN 5.1 million, or 11.1%, compared to the same period of 2024.

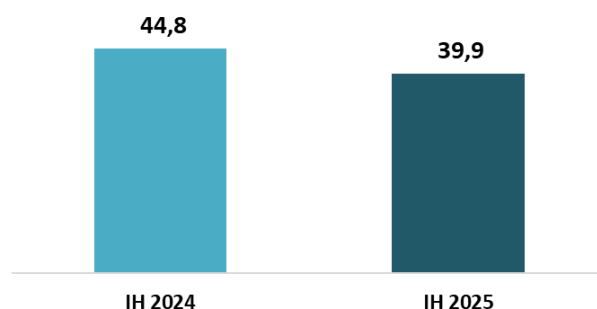
Sales revenues of individual companies were as follows:

- ◆ Abeba Group: PLN 26.6 million (-PLN 5.2 million y/y; -16.5% y/y)
- ◆ PROTEKTOR SA: PLN 13.3 million (+PLN 0.2 million y/y; +1.9% y/y)

CONSOLIDATED SALES REVENUE, Q1-Q2 2025 VS Q1-Q2 2024 [PLN MILLION]



CONSOLIDATED SALES REVENUE, 1st HALF OF 2025 VS 1st HALF OF 2024 [PLN MILLION]



In the first half of 2025, products manufactured within the Protektor Capital Group accounted for the largest share of sales revenue from customer contracts. They accounted for 98.0% of total revenue, reaching PLN 39.1 million. Revenue from the sale of services amounted to PLN 0.1 million, representing 0.2% of total revenue, while revenue from the sale of goods and materials amounted to PLN 0.7 million, representing 1.8% of total revenue.

The Protektor Group sells footwear and accessories primarily under its own brands. Currently, the Group has three own brands in its portfolio, i.e. Abeba, Protektor and GROM.

Cost of sales

In the first half of 2025, direct costs of products, goods and materials sold amounted to PLN 26.3 million and were lower by PLN 3.4 million, or 11.5%, compared to the same period of the previous year.

For comparison, sales revenues in the same period fell by 11.1% year-on-year, which means that the rate of cost decline was higher than the decline in revenues.

As a result, the share of cost of sales in sales revenue improved, decreasing by 0.3 percentage points year-on-year, which had a positive impact on gross sales profitability.

As of June 30, 2025, changes were introduced in the presentation of the "Unused production capacity" item. In accordance with the new approach, the value of unused production capacity was transferred from "Cost of products sold" to "Other operating expenses."

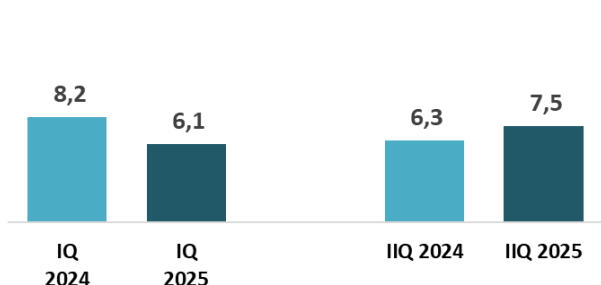
Gross profit (loss) on sales

In the first half of 2025, the Protektor Capital Group generated gross profit on sales of PLN 13.6 million, which means a decrease of PLN 1.6 million, i.e. 10.4%, compared to the same period of the previous year.

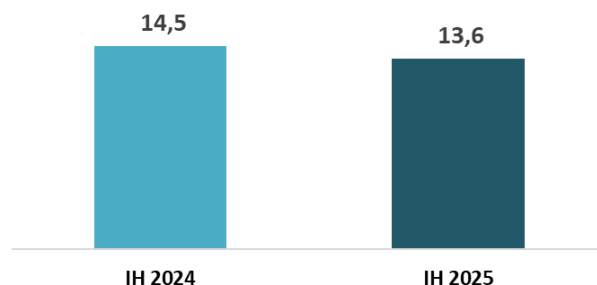
- ◆ Abeba Group: PLN 12.0 million (-PLN 1.9 million y/y; -13.7% y/y)
- ◆ PROTEKTOR SA: PLN 1.6 million (+PLN 0.3 million y/y; +24.9% y/y)

The Group's gross sales profitability (share of gross profit on sales in sales revenues) amounted to 34.1% compared to 33.8% in the first half of 2024 (+0.3 pp y/y).

CONSOLIDATED GROSS PROFIT FROM SALES, Q1-Q2 2025 VS Q1-Q2 2024 [PLN MILLION]



CONSOLIDATED GROSS PROFIT FROM SALES, 1st HALF OF 2025 VS 1st HALF OF 2024 [PLN MILLION]



Selling and general administrative expenses

In the first half of 2025, consolidated selling, general and administrative costs in the Protektor Capital Group amounted to PLN 12.4 million, which means a decrease of PLN 1.5 million (-10.7%) compared to the same period of 2024.

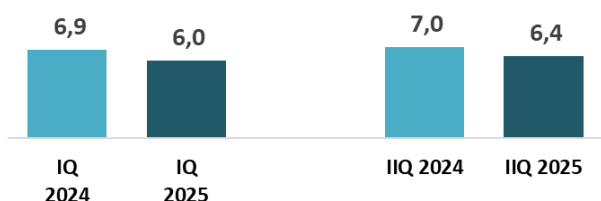
Selling costs

Selling costs reached PLN 5.6 million, i.e. PLN 0.6 million less than in the first half of 2024, which means a decrease of 10.2% year-on-year. In relation to sales revenue, selling costs accounted for 14.1%, compared to 13.9% in the same period last year.

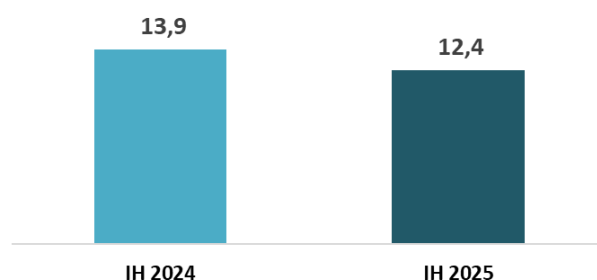
General administrative expenses

General and administrative expenses amounted to PLN 6.8 million, which means a decrease of PLN 0.9 million (-11.2%) compared to the first half of 2024. The share of these costs in sales revenues remained unchanged at 17.0% year-on-year.

CONSOLIDATED SELLING AND GENERAL ADMINISTRATIVE COSTS, Q1-Q2 2025 VS Q1-Q2 2024 [PLN MILLION]



CONSOLIDATED SELLING AND GENERAL ADMINISTRATIVE COSTS, 1st HALF OF 2025 VS 1st HALF OF 2024 [PLN MILLION]



Other operating income and expenses

In the first half of 2025, other operating income in the Protektor Capital Group amounted to PLN 0.5 million, which means an increase of PLN 0.2 million, i.e. 69.0%, compared to the same period of 2024.

Other operating costs reached PLN 3.6 million, which means an increase of PLN 1.3 million (+56.3% y/y) compared to the first half of 2024.

Other operating costs consisted primarily of:

- ◆ costs of unused production capacity – PLN 1.7 million,
- ◆ write-down of deferred tax asset – PLN 1.6 million.

During the period under review, the Protektor Group also made donations worth a total of PLN 2,000.

As of June 30, 2025, changes were introduced in the presentation of the "Unused production capacity" item. In accordance with the new approach, the value of unused production capacity was transferred from "Cost of products sold" to "Other operating expenses."

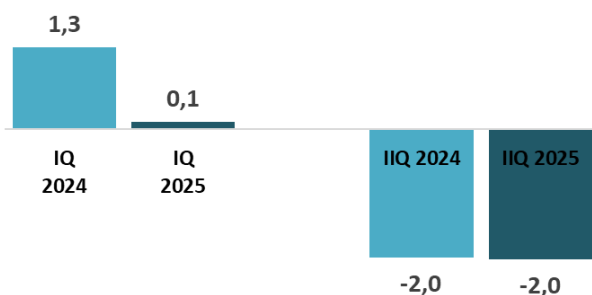
Operating result and EBITDA

In the first half of 2025, the Protektor Capital Group generated a consolidated operating result (EBIT) of PLN -1.9 million, which means a decrease of PLN 1.2 million compared to the same period of 2024.

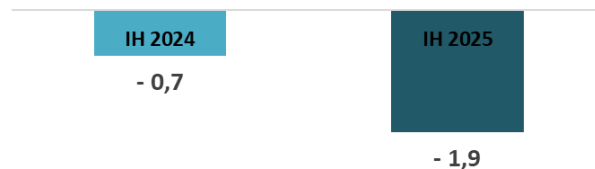
- ◆ Abeba Group: PLN 3.3 million (-PLN 0.4 million y/y; -11.8% y/y)
- ◆ PROTEKTOR SA: -PLN 5.2 million (-PLN 4.4 million y/y; -0.8% y/y)

The deterioration of the operating result in the first half of 2025 was primarily influenced by: a decrease in gross profit on sales by PLN 1.6 million year-on-year and an increase in other operating costs by PLN 1.3 million year-on-year. Both factors together contributed to a decrease in the operating result by PLN 2.9 million compared to the same period of 2024.

CONSOLIDATED OPERATING RESULT,
Q1-Q2 2025 VS Q1-Q2 2024 [PLN MILLION]



CONSOLIDATED OPERATING RESULT,
1st HALF OF 2025 VS 1st HALF OF 2024 [PLN MILLION]



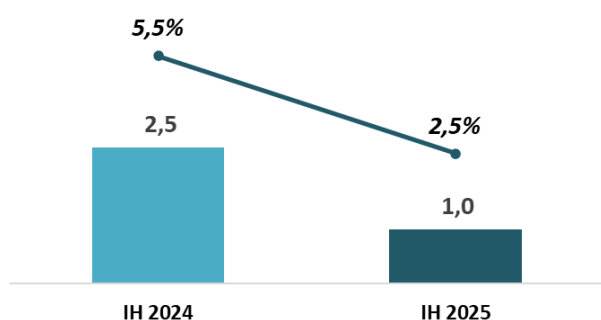
In the first half of 2025, the consolidated EBITDA result of the Protektor Capital Group amounted to PLN 1.0 million, which means a decrease of PLN 1.5 million compared to the same period of 2024, when it reached PLN 2.5 million.

EBITDA profitability, understood as the share of EBITDA in sales revenues, amounted to 2.5%, which means a decrease of 3.0 percentage points year on year (from 5.5% in the first half of 2024).

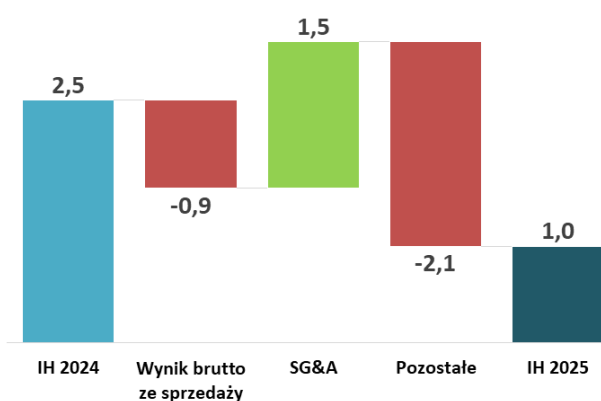
Specification	from 01/01/2025 to 30/06/2025	from 01/01/2024 to 30/06/2024	Change %
	in thousands PLN	in thousands PLN	
Profit (loss) from operating activities	(1 923)	(725)	165.2%
Depreciation	2,914	3 212	-9.3%
EBITDA	991	2,487	-60.2%

The composition of the main components shaping the EBITDA result in the period January–June 2025, compared to the same period in 2024, is presented in the chart below.

CONSOLIDATED EBITDA AND PROFITABILITY %,
1st HALF OF 2025 VS 1st HALF OF 2024 [PLN MILLION]



CONSOLIDATED EBITDA COMPOSITION,
1st HALF OF 2025 VS 1st HALF OF 2024 [PLN MILLION]



Financial income and costs

In the first half of 2025, the Protektor Capital Group achieved financial income close to zero, while in the same period of 2024 it amounted to PLN 0.1 million.

Financial costs amounted to PLN 0.9 million, down PLN 0.2 million year-on-year. The main reason for the decline was lower interest costs on loans and leases compared to the first half of 2024.

Gross profit (loss)

In the first half of 2025, the Protektor Capital Group recorded a gross loss of PLN 2.9 million, which means a deterioration of the result by PLN 1.1 million compared to the same period of 2024.

Tax

In the first half of 2025, the Protektor Capital Group recorded an income tax expense of PLN 1.4 million, which means an increase of PLN 0.4 million compared to the same period of 2024.

The Group's tax burden is of a varied nature; a detailed specification of income tax is presented in the table below:

Specification	Protektor	Abeba GmbH	Ababa France	Inform	Rida
	thousand PLN	thousand EUR	thousand EUR	thousand EUR	thousand EUR
Revenues before consolidation	15,710	6,654	1,047	5 189	1,255
Gross profit (loss)	(5,636)	150	79	483	101
Tax	(481)	(44)	(20)	(142)	(39)
Effective sales tax rate	-	-	-	-	3%
Effective income tax rate	-9%	29%	25%	29%	-
Sales tax	-	-	-	-	(39)
Income tax	(481)	(44)	(20)	(142)	-

Specification	First half of 2025
	in thousands PLN
Sales tax	(166)
Income tax	(1,352)
Consolidation adjustments on tax	129
Tax after consolidation	(1,388)

Net result

In the first half of 2025, the Protektor Capital Group recorded a net loss of PLN -4.3 million, which means a deterioration of the result by PLN 1.5 million compared to the same period of 2024.

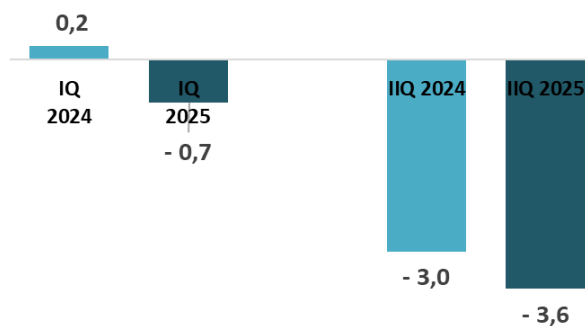
The decrease in net profit was mainly due to: lower gross profit on sales, an increase in other operating costs and higher tax charges.

◆ Abeba Group: PLN 2.2 million

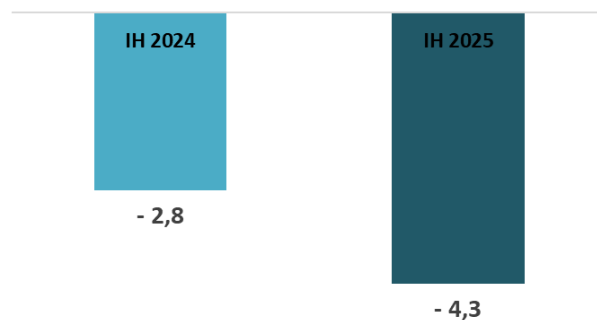
◆ PROTEKTOR SA: -PLN 6.5 million (-PLN 5.0 million y/y; 29.0% y/y)

Net profitability, understood as the share of consolidated net profit in sales revenues, amounted to -10.7% in the first half of 2025, compared to -6.2% in the same period of 2024.

CONSOLIDATED NET RESULT, Q1-Q2 2025 VS Q1-Q2 2024 [PLN MILLION]



CONSOLIDATED NET RESULT, 1st HALF OF 2025 VS 1st HALF OF 2024 [PLN MILLION]



3.2. FINANCIAL RESULTS BY BUSINESS SEGMENT

The Protektor Capital Group's operations are conducted within operating segments, which constitute the Group's strategic business units. The segments were identified based on the organizational structure encompassing the Abeba Capital Group and PROTEKTOR SA.

The activities of individual segments are mainly focused on the production and sale of safety, professional and military footwear, as well as footwear intended for rescue services and police forces.

Management monitors the performance of individual segments separately to make decisions regarding resource allocation and assess the effectiveness of segment operations. Segment results are analyzed at the net profit (loss) level.

The accounting principles applied in the operating segments are consistent with the accounting policy in force in the Protektor Capital Group.

The segments were not combined. The Group has no other segments that would not meet the disclosure criteria for operating segments.

SPECIFICATION	for the period from 01/01/2025 to 30/06/2025			for the period from 01/01/2024 to 30/06/2024		
	GK ABEBA	PROTEKTOR	TOGETHER	GK ABEBA	PROTEKTOR	TOGETHER
Sales revenue	29,320	15,710	45 030	35,057	16,000	51,057
Outside Sales	26,584	13,269	39,853	31,822	13,025	44,847
Sales between segments	2,736	2,441	5 177	3 235	2,975	6 210
Cost of sales	(14,614)	(11,643)	(26,257)	(17,944)	(11,723)	(29,667)
Segment result	11,970	1,626	13,596	13,878	1,302	15 180
Other segment costs (revenues)	(8,705)	(6,814)	(15,519)	(10,175)	(5,730)	(15,905)
Operating result	3 265	(5,188)	(1923)	3,703	(4,428)	(725)
Financial income	227	(224)	3	60	40	100
Financial costs	(364)	(581)	(945)	(396)	(761)	(1,157)
Profit before tax	3 128	(5,993)	(2,865)	3,367	(5,149)	(1,782)
Tax	(907)	(481)	(1,388)	(1,135)	132	(1,003)
Net result	2 221	(6,474)	(4,253)	2 232	(5,017)	(2,785)
	as of June 30, 2025			as of December 31, 2024		
Segment assets	40 360	23,717	64,077	38,667	26 239	64,906
including the trademark - GK ABEBA	5,298	-	5,298	5,337	-	5,337
including investments in subsidiaries	-	(22,840)	(22,840)	-	(22,840)	(22,840)
Segment liabilities	8,250	34,993	43 243	7,319	33,924	41,243
	for the period from 01/01/2025 to 30/06/2025			for the period from 01/01/2024 to 30/06/2024		
Amortization of intangible assets	33	140	173	88	137	225
Depreciation of tangible fixed assets	857	1,884	2,741	932	2,055	2,987

In the first half of 2025, sales revenues to the Tax Administration Chamber in Zielona Góra accounted for 11% of the Group's consolidated sales revenues. This high share is due to the implementation of a contract concluded as part of a public procurement procedure.

3.3. STATEMENT OF FINANCIAL POSITION

Specification	30/06/2025		31/12/2024		Change	
	in thousands PLN	structure %	in thousands PLN	structure %	in thousands PLN	dynamics %
Fixed assets	22 121	34.5%	27 235	42.0%	(5 114)	-18.8%
Intangible assets	6,356	9.9%	6,584	10.1%	(228)	-3.5%
Property, plant and equipment and leased right-of-use assets	12,963	20.2%	15,543	23.9%	(2,580)	-16.6%
Long-term receivables	435	0.7%	502	0.8%	(67)	-13.3%
Deferred tax assets	304	0.5%	2,401	3.7%	(2,097)	-87.3%
Long-term accruals	2,063	3.2%	2 205	3.4%	(142)	-6.4%
Current assets	41,956	65.5%	37,671	58.0%	4,285	11.4%
Supplies	30,293	47.3%	27,967	43.1%	2,326	8.3%
Trade receivables	7,422	11.6%	4,071	6.3%	3,351	82.3%
Current income tax receivables	-	0.0%	815	1.3%	(815)	-100.0%
Other short-term receivables	2,087	3.3%	1,345	2.1%	742	55.2%
Other short-term financial assets	44	0.1%	33	0.1%	11	33.3%
Cash and cash equivalents	604	0.9%	1,945	3.0%	(1,341)	-68.9%
Short-term accruals	1,506	2.4%	1,495	2.3%	11	0.7%
TOTAL ASSETS	64,077	100.0%	64,906	100.0%	(829)	-1.3%

As of June 30, 2025, the balance sheet total of the Protektor Capital Group amounted to PLN 64.1 million, which means a decrease of PLN 0.8 million (-1.3%) compared to December 31, 2024.

The book value per share at the end of the first half of 2025 amounted to PLN 1.08.

Fixed assets

As of June 30, 2025, the value of the Protektor Capital Group's fixed assets amounted to PLN 22.1 million, which represented 34.5% of the balance sheet total. Compared to December 31, 2024, the value of fixed assets decreased by PLN 5.1 million, or 18.8%, and their share in total assets decreased by 7.4 percentage points.

The largest item in the fixed asset structure was property, plant and equipment, which reached PLN 13.0 million, representing 20.2% of the balance sheet total. Year-over-year, this represents a 16.6% decrease. Property, plant and equipment included: own fixed assets – PLN 6.8 million, and leased fixed assets – PLN 6.2 million.

The second largest category was intangible assets, valued at PLN 6.4 million at the end of June 2025, representing 9.9% of total assets. Compared to the end of 2024, their value decreased by 3.5%. This value was primarily driven by the Abeba Capital Group trademark, valued at PLN 5.3 million.

Current assets

As of June 30, 2025, the value of the Protektor Capital Group's current assets amounted to PLN 42.0 million, representing 65.5% of total assets. Compared to December 31, 2024, their value increased by PLN 4.3 million, or +11.4%. The share of current assets in total assets increased by 7.4 percentage points.

The largest item in the structure of current assets was inventories, which reached PLN 30.3 million at the end of June 2025, representing 47.3% of the balance sheet total. Compared to the end of 2024, inventories increased by PLN 2.3 million (+8.3% year-on-year).

The second largest item was trade receivables, which amounted to PLN 7.4 million, representing 11.6% of total assets. Compared to December 31, 2024, their value increased by PLN 3.4 million.

Specification	30/06/2025		31/12/2024		Change	
	in thousands PLN	structure %	in thousands PLN	structure %	in thousands PLN	dynamics %
Equity	20,834	32.5%	23,663	36.5%	(2,829)	-12.0%
Share capital	11,474	17.9%	9,572	14.7%	1,902	19.9%
Reserve capital	10 235	16.0%	10 235	15.8%	-	0.0%
Other capital	5,759	9.0%	6 209	9.6%	(450)	-7.2%
Retained earnings	(6,966)	-10.9%	(2,686)	-4.1%	(4,280)	159.3%
Non-controlling interests	332	0.5%	333	0.5%	(1)	-0.3%
Obligations	43 243	67.5%	41,243	63.5%	2,000	4.8%
Long-term liabilities	3,629	5.7%	5 118	7.9%	(1,489)	-29.1%
Right-of-use lease liabilities (IFRS 16)	2,935	4.6%	4,286	6.6%	(1,351)	-31.5%
Provisions for long-term liabilities	694	1.1%	830	1.3%	(136)	-16.4%
Long-term accruals	-	0.0%	2	0.0%	(2)	-100.0%
Short-term liabilities	39,614	61.8%	36 125	55.7%	3,489	9.7%
Short-term loans and credits	16,970	26.5%	14,828	22.8%	2,142	14.4%
Other short-term liabilities	5,750	9.0%	5,418	8.3%	332	6.1%
Trade payables	10,666	16.6%	7,763	12.0%	2,903	37.4%
Current income tax liabilities	674	1.1%	1,364	2.1%	(690)	-50.6%
Right-of-use lease liabilities (IFRS 16)	3,734	5.8%	4,272	6.6%	(538)	-12.6%
Provisions for short-term liabilities	1,709	2.7%	1,940	3.0%	(231)	-11.9%
Short-term accruals	111	0.2%	540	0.8%	(429)	-79.4%
TOTAL LIABILITIES	64,077	100.0%	64,906	100.0%	(829)	-1.3%

Equity

In the structure of liabilities of the Protektor Capital Group as at 30 June 2025, equity accounted for 32.5% of the balance sheet total.

The value of equity at the end of June 2025 amounted to PLN 20.8 million, which means a decrease of PLN 2.8 million (-12.0%) compared to the situation as at December 31, 2024.

The main reason for the decrease in the value of equity was the lower level of retained earnings, which decreased by PLN 4.3 million year-on-year as a result of the net loss incurred for the first half of 2025.

Obligations

As of June 30, 2025, the total value of liabilities of the Protektor Capital Group amounted to PLN 43.2 million, which means an increase of PLN 2.0 million compared to December 31, 2024 (+4.9% y/y).

At the end of June 2025, long-term liabilities amounted to PLN 3.6 million, which means a decrease of PLN 1.5 million compared to the end of 2024. The main factor of this decrease was the lower level of leasing liabilities, which decreased by PLN 1.4 million year on year.

As at 30 June 2025, current liabilities amounted to PLN 39.6 million, which means an increase of PLN 3.5 million (+9.7%) compared to 31 December 2024. The largest increase was recorded in trade payables, which increased by PLN 2.9 million year on year.

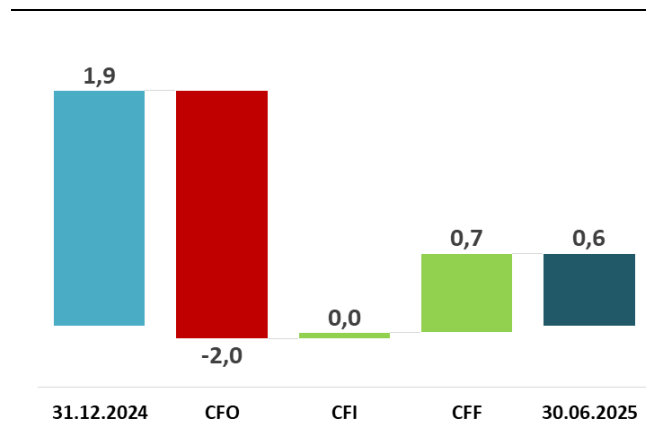
3.4. CASH FLOW STATEMENT

In the period from January 1, 2025, to June 30, 2025, the cash position decreased by PLN 1.1 million. Cash flows from individual activities are presented in the table below:

Specification	from 01/01/2025 to 30/06/2025	from 01/01/2024 to 30/06/2024	Change	
	in thousands PLN	in thousands PLN	in thousands PLN	dynamics %
Profit (loss) before tax	(2,865)	(1,782)	(1,083)	60.8%
Corrections	1,980	3,743	(1,763)	-47.1%
Income tax paid	(1,159)	(994)	(165)	16.6%
Cash flow from operating activities	(2,044)	967	(3,011)	-
Cash flow from investing activities	47	(178)	225	-
Cash flows from financing activities	656	(1,623)	2 279	-
Total cash flow	(1,341)	(834)	(507)	60.8%

In the first half of 2025, consolidated net cash flow from operating activities amounted to PLN -2.0 million, down PLN 3.0 million year-on-year. The deterioration in the result was mainly due to: lower profit (loss) before tax (PLN 1.1 million drop year-on-year), change in inventories (PLN -1.7 million year-on-year), as well as change in provisions and accruals (PLN -1.8 million year-on-year).

CHANGE IN CASH, DECEMBER 31, 2024 vs. JUNE 30, 2025 [PLN MILLION]



Net cash flows from investing activities in the period under review were close to zero and were the result of balancing inflows and outflows – on the one hand, expenditures were incurred for the purchase of tangible fixed assets and financial assets, and on the other hand, revenues were generated in the same category.

Net cash flow from financing activities amounted to PLN +0.7 million, an improvement of PLN 2.3 million year-on-year. These cash flows included proceeds from the issue of shares (PLN 1.9 million) and loans (PLN 2.2 million). On the expenditure side, the main items recorded were lease payments (PLN 2.2 million),

interest paid (PLN 0.9 million), and other financial expenses (PLN 0.3 million).

3.5. INVESTMENT EXPENDITURES

In the first half of 2025, the Protektor Capital Group continued activities related to the development of new footwear designs.

At PROTEKTOR SA, investments focused primarily on:

- ◆ conducting research and obtaining the required certificates – mainly in the segment of footwear intended for public tenders,
- ◆ replacement costs related to the equipment necessary for the production process.

In the Abeba Group, investments were mainly of a replacement and modernisation nature, focusing on maintaining the existing production infrastructure.

3.6. KEY FINANCIAL INDICATORS

To assess the financial condition of the Protektor Capital Group, a set of indicators was used, divided into three main categories: profitability, debt, and liquidity. These indicators enable a comprehensive analysis of the Group's financial results, capital structure, and payment capacity.

- 1. Profitability** – five indicators were used to assess profitability, relating to different levels of financial results in relation to sales revenues: gross profit on sales, operating profit (EBIT), EBITDA, gross profit and net profit.

Profitability indicators	Computational algorithm	for the period		Change %
		from 01/01/2025 to 30/06/2025	from 01/01/2024 to 30/06/2024	
Gross profit margin on sales	gross profit from sales / sales revenue * 100%	34.12%	33.85%	0.27 pp
EBIT profitability	operating profit / sales revenue * 100%	-4.83%	-1.62%	-3.21 pp
EBITDA profitability	(operating profit + depreciation) / sales revenue * 100%	2.49%	5.55%	-3.06 pp
Gross sales profitability	gross profit / sales revenue * 100%	-7.19%	-3.97%	-3.22 pp
Net return on sales (ROS)	net profit / sales revenue * 100%	-10.67%	-6.21%	-4.46 pp

- 2. Debt** – the debt analysis takes into account five ratios, one of which – net debt to EBITDA – shows the Group's ability to service debt from generated cash flows, while the remaining four assess the capital structure.

Debt ratios	Computational algorithm	per day		Change %
		30/06/2025	31/12/2024	
Total debt ratio	total liabilities / total assets * 100%	67.49%	63.54%	3.94 pp
Net debt / LTM EBITDA*	net debt / (operating profit + depreciation)	-15.48	-179.00	-91.35%
Coverage of debt with equity	equity / external capital	0.48	0.57	-16.03%
Coverage of fixed assets with fixed capital	(equity + long-term liabilities) / fixed assets	1.11	1.06	4.65%
Sustainability of the financing structure	(equity + long-term liabilities) / total liabilities * 100%	38.18%	44.34%	-6.17 pp

*LTM EBITDA for the last 12 months from the reporting date

3. Liquidity – the assessment of the Group's financial liquidity was based on three indicators that reflect the ability to settle short-term liabilities on time.

Liquidity ratios	Computational algorithm	per day		Change %
		30/06/2025	31/12/2024	
Current liquidity ratio	current assets / current liabilities	1.06	1.04	1.57%
Quick ratio	(cash + receivables) / short-term liabilities	0.26	0.23	12.80%
Cash liquidity ratio	cash / short-term liabilities	0.02	0.05	-71.68%

In the Management Board's opinion, the financial indicators used provide reliable and useful information on the economic situation of the Protektor Capital Group. They cover key areas of activity – profitability, debt, and liquidity – and enable ongoing analysis of the company's financial condition. The source data used for the calculations comes directly from the financial statements, and the indicators themselves are commonly used in market practice, allowing them to be used in comparative analyses with other entities.

3.7. FINANCIAL RESOURCE MANAGEMENT

Interest debt

The total value of interest liabilities in the analyzed period amounted to PLN 25.8 million and was at a similar level compared to the situation as at 31 December 2024 (a decrease of PLN 0.1 million y/y).

Compared to December 31, 2024, the individual categories of financial liabilities have changed as follows:

- ◆ liabilities arising from loans and borrowings increased by PLN 2.1 million,
- ◆ financial leasing liabilities decreased by PLN 1.9 million,
- ◆ other financial liabilities decreased by PLN 0.3 million.

Specification	30/06/2025		31/12/2024		Change	
	in thousands PLN	structure %	in thousands PLN	structure %	in thousands PLN	dynamics %
Liabilities arising from loans and borrowings, including:	16,970	65.7%	14,828	57.2%	2,142	14.4%
- long-term	-	0.0%	-	0.0%	-	-
- short-term	16,970	65.7%	14,828	57.2%	2,142	14.4%
Finance lease liabilities, including:	6,669	25.8%	8,558	33.0%	(1889)	-22.1%
- long-term	2,935	11.4%	4,286	16.5%	(1,351)	-31.5%
- short-term	3,734	14.5%	4,272	16.5%	(538)	-12.6%
Other financial liabilities, including:	2 201	8.5%	2,545	9.8%	(344)	-13.5%
- long-term	-	0.0%	-	0.0%	-	-
- short-term	2 201	8.5%	2,545	9.8%	(344)	-13.5%
TOTAL INTEREST LIABILITIES	25,840	100.0%	25,931	100.0%	(91)	-0.4%

As of June 30, 2025, loan debt included:

- ◆ Loan taken out by PROTEKTOR SA from mBank SA under the flexible revolving credit agreement of June 30, 2022 (as amended). At the end of June 2025, the debt under this agreement amounted to PLN 7,300,000. The agreement is valid until March 29, 2028.
- ◆ Revolving credit facility for contract financing concluded by PROTEKTOR SA with mBank SA on March 1, 2024 (as amended). At the end of June 2025, the debt under this facility amounted to PLN 1,506,000. The agreement is valid until May 31, 2026.
- ◆ Overdraft facility concluded by PROTEKTOR SA with mBank SA on October 19, 2020 (as amended). At the end of June 2025, the debt under this agreement amounted to PLN 278,000. The agreement is valid until June 30, 2026.
- ◆ Loans taken out by the Abeba Group: from Bank 1 Saar for the purchase of a machine and a revolving overdraft facility. As of June 30, 2025, the Abeba Group's debt amounted to EUR 1,859 thousand (PLN 7,886 thousand).

During the period covered by this report and after the reporting date, there were no cases of default on repayment of capital or interest.

As of June 30, 2025, the debt under finance leases amounts to:

- ◆ In PROTEKTOR SA PLN 2,858 thousand, including PLN 2,483 thousand concerning the lease agreement for a production and warehouse hall with an office building from Strefa 1 Sp. z o. o. The remaining part of the amount, i.e. PLN 375 thousand, concerns the leasing of cars, furniture, forklifts, production equipment and IT equipment.
- ◆ In the ABEBA Group EUR 899 thousand (PLN 3,811 thousand), of which EUR 807 thousand relates to a building lease agreement with SaarLB Saarbruecken, EUR 82 thousand relates to car leasing agreements, and EUR 10 thousand results from agreements signed with an IT equipment supplier.

As of June 30, 2025, the remaining financial debt amounts to:

- ◆ In PROTEKTOR SA PLN 2,201 thousand and concerns an electronic credit agreement for repayment of liabilities concluded with mBank SA on October 19, 2020 (as amended). The agreement is valid until July 15, 2026.

One of the key indicators used to monitor the debt level, which the Management Board analyses on an ongoing basis, is the debt-to-EBITDA ratio, understood as the quotient of net debt and EBITDA.

The table below presents the debt-to-EBITDA ratio calculation and EBITDA reconciliation.

Indicator	30/06/2025	31/12/2024	Change %
	in thousands PLN	in thousands PLN	
Net debt	25 236	23,986	5.2%
Loan liabilities	16,970	14,828	14.4%
(+) Lease liabilities	6,669	8,558	-22.1%
(+) Other financial liabilities	2 201	2,545	-13.5%
Total debt liabilities	25,840	25,931	-0.4%
(-) Cash and cash equivalents	604	1,945	-68.9%
LTM EBITDA*	(1,630)	(134)	1116.4%
Net profit (loss) from continuing operations	(11,747)	(10,279)	14.3%
(+) Income tax	(2,094)	(1,709)	22.5%

Profit before tax	(9,653)	(8,570)	12.6%
(-) Financial costs	(1,694)	(2,855)	-40.7%
(-) Financial income	(303)	743	-
Operating profit	(7,656)	(6,458)	18.6%
(+) Depreciation	6,026	6,324	-4.7%
Net debt / EBITDA	(15.48)	(179.00)	-91.4%

*LTM EBITDA for the last 12 months from the reporting date.

Loans granted

In the first half of 2025, none of the companies of the Protektor Capital Group granted any loans.

4. Protektor Capital Group strategy and development conditions

4.1. STRATEGY IMPLEMENTATION

Overview of strategic options

Due to the challenging situation on international markets, as well as the need to take steps to improve the Protektor Capital Group's financial liquidity and operational efficiency, a strategic options review process began in the second half of 2024. From a strategic perspective, the following goals are important for the Protektor Capital Group:

- ◆ PROTEKTOR SA – strategic activities aimed at changing the business model ensuring the Company's sustainable profitability through cost savings and sales development.
- ◆ ABEBA Group – growth towards a development path, using the strength and recognition of the Abeba brand as a key factor that can lead to an increase in the value of the entire Capital Group.

Differences between financial results and previously published result forecasts

The Group did not publish any profit forecasts for 2025.

4.2. KEY ELEMENTS OF THE BUSINESS MODEL

The current business model is based on the following pillars:

Model biznesowy Grupy Kapitałowej Protektor



1. Strong brands combining long-standing tradition with modernity

The tradition of producing heavy military footwear in Lublin dates back 80 years. The Grom and Protektor brands are proud heirs and continuators of this tradition. The Abeba brand, in turn, is one of the most recognized specialist footwear brands in Western Europe – particularly in Germany, where its roots lie. Their long-standing market presence and the resulting customer trust in the Grom, Protektor, and Abeba brands are a commitment for the Protektor Capital Group to continually seek innovative solutions.

2. Ensuring high-quality products while striving for attractive prices through cost-saving measures and optimizing operational processes

The Protektor, Grom, and Abeba brands target diverse customer segments, enabling the Protektor Capital Group to offer a broad range of products. Leveraging the expert knowledge and extensive experience of its employees, the Protektor Capital Group offers unique solutions that meet the requirements, as confirmed by research results and the certificates held by the Protektor Capital Group. At the same time, the Protektor Capital Group constantly seeks solutions that ensure attractive pricing (through cost-saving measures and optimization of operational processes, and production in Moldova, which is characterized by relatively lower costs).

3. Taking advantage of synergies between individual entities belonging to the Protektor Capital Group while taking advantage of their diversity

The individual entities comprising the Protektor Capital Group operate in different market segments, geographic markets, and have varying financial situations. Through separate brands (GROM, Protektor, Abeba), they target different customer groups. Despite this model, synergies exist at the Group level, but their realization depends

on effective communication and collaboration across the entire Protektor Capital Group. The most significant synergies in the Protektor Capital Group's business model include:

- ◆ Activities aimed at acquiring and maintaining ongoing cooperation with customers interested in a wide range of products.
- ◆ Exchange of information and knowledge in the field of optimisation of operational processes (production, warehouse management and logistics, maintenance and IT).
- ◆ Collaboration in the field of online marketing and e-commerce.
- ◆ Centralization of selected functions (e.g. controlling, purchasing).

The above is intended to ensure that development opportunities emerging in various markets are taken advantage of.

4. Financial stability

The goal is to ensure the stable financial situation of individual companies within the Protektor Capital Group so as to ensure their sustainable profitability and profitability for shareholders..

5. Ensuring control in the value chain

Unlike many competitors, Protektor Capital Group controls the value chain at all stages:

- ◆ Acquiring materials for production and verifying their quality in-house and in cooperation with renowned research institutions in various European Union countries with appropriate certificates.
- ◆ Own production located in two geographical regions.
- ◆ Own warehouses of materials and finished products located in various countries.
- ◆ Development of new products and modifications of existing models based on our own team of specialists from various countries.
- ◆ Serving various geographical markets (including: own sales forces in key markets in Poland, France and German-speaking countries, a network of agents cooperating with the Protektor Capital Group for many years) and various sales channels (including: a developed e-commerce business).

6. Social responsibility

To meet the expectations of stakeholders and the market, PROTEKTOR SA prepared a social responsibility strategy in September 2024 (the strategy will be issued on September 18, 2024 in accordance with the PN-ISO 26000 guidelines), which addresses issues related to environmental protection, relations with key stakeholders and respect for their interests (employees, shareholders, suppliers, local communities), ensuring fair operating practices and taking into account consumer practices (e.g. fair marketing and fair practices regarding trade agreements, educational issues)..

4.3. RESEARCH AND DEVELOPMENT

Achievements in research and development

In the first half of 2025, work on the following projects was completed:

- ◆ A certificate was obtained for LAMPO antistatic professional footwear intended for Polish Railway Lines, in accordance with the standards currently in force.

- ◆ The design of the Service Ankle Boots intended for the Police Headquarters has been approved – manufactured in accordance with the technical specifications of the Ordering Party and the minimum technical requirements of the Police Headquarters, using the highest quality materials.
- ◆ The SOLIGOR collection of safety, antistatic footwear has been certified in accordance with the new harmonized standard EN ISO 20345:2022 "Personal protective equipment. Safety footwear."
- ◆ The CELT occupational footwear collection – low shoes and ankle boots, and GROM ankle boots – has been certified in accordance with the new harmonized standard EN ISO 20347:2022 "Personal protective equipment. Occupational footwear."
- ◆ Renewal of the certificate for two models of Tamrex Original occupational and safety footwear in accordance with current standards.

5. Employees

5.1. EMPLOYMENT STRUCTURE

The average employment in the Protektor Capital Group in the first half of 2025 and in the first half of 2024 was as follows:

Specification	for the period from 01/01/2025 to 30/06/2025	for the period from 01/01/2024 to 30/06/2024
White-collar workers	61	72
Manual workers	267	303
Together	328	375

Average employment, calculated in full-time equivalents, in the first half of 2025 was lower by 47 full-time equivalents compared to the same period of the previous year, which means a decrease of 12.7% year-on-year.

5.2. DEVELOPMENT AND MOTIVATION PROGRAMS

In the first half of 2025, the Incentive Program was not in force in the Protektor Capital Group.

Obligations arising from pensions and similar benefits towards former managers and supervisors

During the reporting period, the Group had no liabilities of this type.

Information about the employee share program control system

Not applicable in the analyzed period.

6. Shares and shareholding

6.1. WARSAW STOCK EXCHANGE QUOTATIONS

PROTEKTOR SA has been listed on the Warsaw Stock Exchange since 1998.

As of May 2, 2025, the price of one share of the Company was PLN 1.74, which translated into a market capitalization of PLN 33.0 million.

In the first half of 2025:

- ◆ the highest closing price was PLN 2.80,
- ◆ The lowest closing price reached PLN 0.85.

Since its stock exchange debut on July 14, 1998, when the closing price was PLN 0.69, the share value has increased by 152.9% to PLN 1.74 (closing price on May 2, 2025).

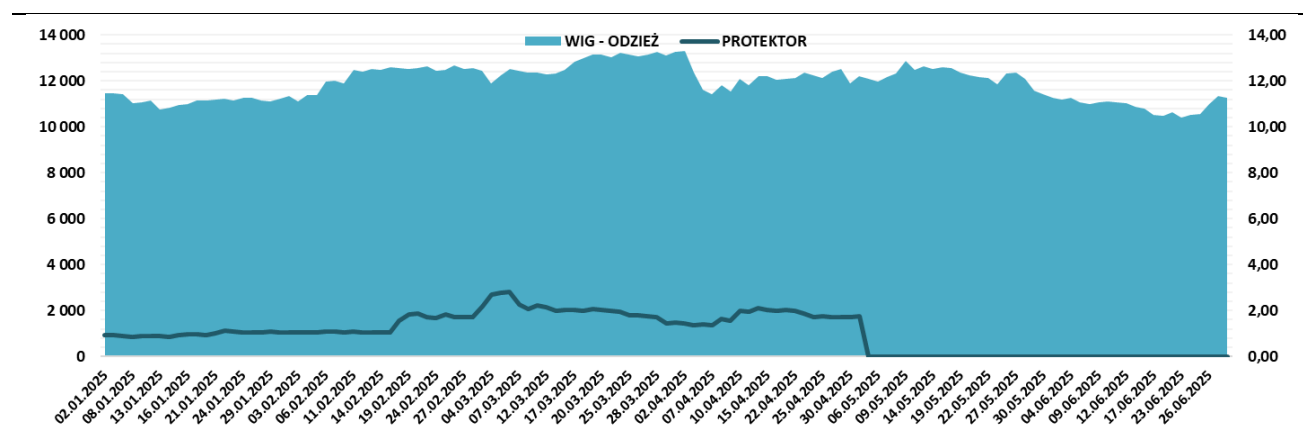
Suspension and unsuspension of share listings

On May 5, 2025, pursuant to Resolution No. 586/2025 of the Management Board of the Warsaw Stock Exchange, the trading of shares of PROTEKTOR SA (marked with the code PLLZPSK00019) was suspended.

The reason for the suspension, announced by the Polish Financial Supervision Authority, was the ongoing work related to the audit of financial statements, about which the Company informed in Current Report No. 9/2025 of April 16, 2025.

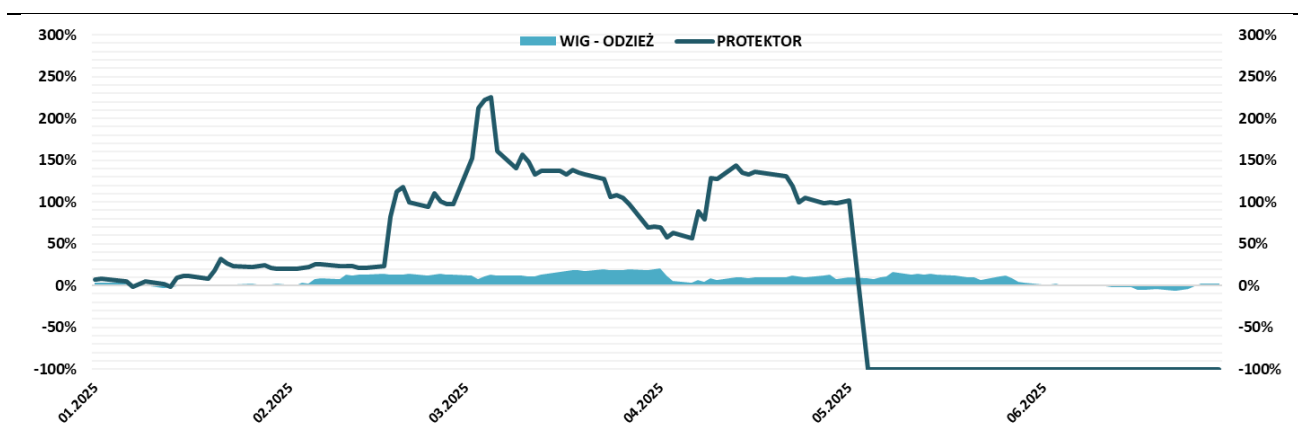
The share listing was suspended on 2 July 2025 pursuant to Resolution No. 894/2025 of the WSE Management Board.

PROTEKTOR SA SHARE PRICE AGAINST THE WIG-ODZIEŻ INDEX IN THE PERIOD FROM 30.12.2024 TO 30.06.2025



Source: Stooq.pl

% CHANGE IN THE PROTEKTOR SA SHARE PRICE AND THE WIG-ODZIEŻ INDEX IN THE PERIOD FROM 30.12.2024 TO 30.06.2025



Source: Stooq.pl

6.2. SHARE CAPITAL AND SHAREHOLDING

Share capital

As at 30 June 2025, the share capital of PROTEKTOR SA amounted to PLN 11,474,459.50 and was divided into 22,825,919 ordinary bearer shares with a nominal value of PLN 0.50 each.

Issue of series E shares

On March 27, 2025, the Management Board of PROTEKTOR SA announced (RB 7/2025) that it adopted a resolution on increasing the Company's share capital by issuing 3,804,319 new ordinary bearer shares of series E with a nominal value of PLN 0.50 each within the authorized capital.

Pursuant to the resolution, the Issuer's share capital was increased from PLN 9,572,300.00 to PLN 11,474,459.50, i.e. by PLN 1,902,159.50, through the issue of 3,804,319 new ordinary bearer series E shares with a nominal value of PLN 0.50 each.

On 28 March 2025, the Management Board announced (RB 8/2025) the signing of the "Share Subscription Agreement" with Luma Holding Limited with its registered office in St. Julians, Level 2, Portomaso Complex, (postal code STJ 4010 St. Julians), Malta.

Under the Agreement, 3,804,319 Series E shares in the Company's share capital were acquired, with a nominal value of PLN 0.50 each, with a total nominal value of PLN 1,902,159.50, at an issue price of PLN 0.50 per share, i.e. at a total issue price of PLN 1,902,159.50, issued by the Company on the basis of the Management Board resolution of March 28, 2025.

On April 23, 2025, the Issuer submitted an application to the Warsaw Stock Exchange for the admission and introduction of 3,804,319 series E ordinary bearer shares to stock exchange trading on the main market (RB 10/2025).

As of June 30, 2025, series E shares have not yet been admitted to stock exchange trading.

Currently, the following series of shares are in circulation:

A – 5,988,480 pieces

B – 3,376,170 pieces

C – 9,364,650 pieces

D – 292,300 pieces

Total number of shares outstanding as of June 30, 2025: 19,021,600 pieces.

Series A shares were fully paid up before the registration of the Company, while series B, C and E shares were fully paid up before the registration of the increase in the share capital by the issue of series B, C and E shares, respectively. Series D shares were acquired in exchange for a non-cash contribution.

Specification	per day 30/06/2025	per day 31/12/2024
Number of shares (pcs.)	22 825 919*	19 021 600
Nominal value of shares (PLN / share)	0.5	0.5
Share capital	11,474**	9,572**

*Including 3,804,319 series E shares not admitted to trading as of June 30, 2025.

**Capital value taking into account the number of shares redeemed without reducing the share capital and changing the nominal value of 20,500 shares. Nominal value of redeemed shares: PLN 3.00/share. Total value: PLN 61,500.00.

The table below presents the structure of share capital as at 30 June 2025:

Series / issue	Type of share preference	Type of restriction on share rights	Number of shares	Series/issue value at nominal value	Method of covering capital
AND	Lack	Lack	5 988 480	2,994	own funds
B	Lack	Lack	3 376 170	1,750	cash
C	Lack	Lack	9 364 650	4,682	cash
D	Lack	Lack	292 300	146	contribution
E	Lack	Lack	3 804 319	1,902	cash
Together	x	x	22 825 919	11,474*	x

*Capital value taking into account the number of shares redeemed without reducing the share capital and changing the nominal value of 20,500 shares. Nominal value of redeemed shares: PLN 3.00/share. Total value: PLN 61,500.00.

Changes in share capital for the period from 1 January to 30 June 2025 and from 1 January to 30 June 2024 are presented in the table below:

Specification	for the period from 01/01/2025 to 30/06/2025	for the period from 01/01/2024 to 30/06/2024
Share capital at the beginning of the period	9,572	9,572
Increases in share capital	1,902	-
Reductions in share capital	-	-
Share capital at the end of the period	11,474	9,572

Shareholders

To the best of the Issuer's knowledge, based on the written notification received from the Company's Shareholder and the list of shareholders holding at least 5% of the votes at the Annual General Meeting of PROTEKTOR S.A. held on June 30, 2025, at the end of the reporting period the following entities were shareholders holding significant blocks of shares (at least 5%):

Shareholder name	Number of shares held as of June 30, 2025	Percentage of shares held in the share capital	Number of votes held as of June 30, 2025	Percentage of shares held in votes at the General Meeting
Luma Holding Limited	10 007 880	43.84%	10 007 880	43.84%
The rest	12 818 039	56.16%	12 818 039	56.16%
Together	22 825 919	100.00%	22 825 919	100.00%

After the balance sheet date, until the date of approval of this report for publication, there were changes in the number of shares held by individual shareholders.

The shareholder structure as of August 26, 2025 (according to the date of the last notification received from the Shareholder) is presented in the table below:

Shareholder name	Number of shares held as of August 26, 2025	Percentage of shares held in the share capital	Number of votes held as of August 26, 2025	Percentage of shares held in votes at the General Meeting
Luma Holding Limited	9 448 098	41.39%	9 448 098	41.39%
The rest	13 377 821	58.61%	13 377 821	58.61%
Together	22 825 919	100.00%	22 825 919	100.00%

General Assembly in 2025

On June 30, 2025, the Annual General Meeting of PROTEKTOR SA was held

During the Annual General Meeting, shareholders approved:

- ◆ separate financial statements of PROTEKTOR SA for 2024,
- ◆ consolidated financial statements of the Protektor Capital Group for 2024,
- ◆ Management Board report on the activities of the Protektor Capital Group and PROTEKTOR SA for 2024,
- ◆ report of the Supervisory Board of PROTEKTOR SA on its activities in 2024.

In addition, the Supervisory Board adopted a resolution regarding:

- ◆ covering the net loss of PLN 10,486 thousand for the financial year ended on December 31, 2024 with the Company's future profits,
- ◆ granting discharge to individual members of the Management Board and Supervisory Board for the performance of their duties in 2024.

Shares held by management and supervisory personnel

The table below presents the ownership of PROTEKTOR SA shares by persons holding positions in the Issuer's management and supervisory bodies at the beginning and end of the period covered by the report, i.e. from 1 January to 30 June 2025. The table also takes into account changes in the share ownership, if any, during the period under review.

Management						
Name and surname	Number of shares held as of December 31, 2024	Number of shares acquired by June 30, 2025	Number of shares sold by June 30, 2025	Number of shares held as of June 30, 2025	Percentage of shares held in the share capital	Percentage of shares held in votes at the General Meeting
Radosław Rogacki	-	-	-	-	0.00%	0.00%
Supervisory Board						
Name and surname	Number of shares held as of December 31, 2024	Number of shares acquired by June 30, 2025	Number of shares sold by June 30, 2025	Number of shares held as of June 30, 2025	Percentage of shares held in the share capital	Percentage of shares held in votes at the General Meeting
Aleksandra Zamasz	-	-	-	-	0.00%	0.00%
Piotr Zarzycki	-	-	-	-	0.00%	0.00%
Dominika Welon	-	-	-	-	0.00%	0.00%
Krzysztof Matan	-	-	-	-	0.00%	0.00%
Maciej Kolon	-	-	-	-	0.00%	0.00%
Jarosław Palejko	-	-	-	-	0.00%	0.00%
Wojciech Sobczak	-	-	-	-	0.00%	0.00%
Tomasz Krześniak	-	-	-	-	0.00%	0.00%

After the balance sheet date and until the date of approval of these financial statements, there were no changes in the shareholding status of management and supervisory personnel.

Information on agreements known to the issuer, including those concluded after the balance sheet date, which may result in future changes in the proportions of shares held by existing shareholders and bondholders

The issuer does not have such information.

6.3. DIVIDENDS PAID

In the current reporting period ended on 30 June 2025, the Parent Company did not pay or declare any dividends.

7. Additional information

7.1. TRANSACTIONS WITH RELATED ENTITIES ON OTHER THAN ARM'S LENGTH TERMS

To the best of the Management Board's knowledge and belief, in the first half of 2025, the companies comprising the Protektor Capital Group did not conclude any significant transactions between themselves on terms that deviated from market conditions.

All sales of finished products, services, goods and materials or purchases between related entities were carried out in accordance with the arm's length principle, i.e. on terms that could be agreed between independent entities operating in comparable circumstances.

A detailed description of transactions with related parties can be found in the Condensed interim consolidated financial statements of the Protektor Capital Group for the first half of 2025, in notes 4.13 and 6.13 entitled "Transactions with related parties".

7.2. SIGNIFICANT PROCEEDINGS PENDING BEFORE A COURT, ARBITRATION AUTHORITY OR PUBLIC ADMINISTRATION AUTHORITY

To the best of the knowledge of the Management Board of PROTEKTOR SA, there are no significant proceedings pending against the Group before a court, arbitration body or public administration body concerning liabilities or receivables with a total value of at least 10% of the Group's equity.

In the opinion of the Management Board, neither the individual proceedings nor their total sum pose a threat to the financial liquidity of the Group in the period covered by the financial statements.

7.3. INFORMATION ABOUT SURETIES AND GUARANTEES

The list of all guarantees of the Protektor Capital Group as of June 30, 2025 is presented in the table below:

Type of surety	Contractor	per day 30/06/2025	per day 31/12/2024
Loan guarantee for PROTEKTOR SA by ABEBA Spezialschuh-Ausstatter GmbH	mBank SA	15,744	15,744
Loan guarantee for Inform Brill GmbH by ABEBA Spezialschuh-Ausstatter GmbH	Bank 1 Saar	189	362
Loan guarantee for ABEBA Spezialschuh-Ausstatter GmbH by Inform Brill GmbH	Bank 1 Saar	7,537	7 166
Together	x	23,470	23 272

Guarantees granted by the subsidiary ABEBA GmbH to PROTEKTOR SA:

- ◆ Flexible revolving credit agreement signed between PROTEKTOR SA and mBank SA. Limit granted in the amount of PLN 7,300,000. Guarantee by ABEBA in the amount of PLN 9,125,000 until March 29, 2028 (loan validity date).
- ◆ Electronic credit agreement for the payment of liabilities signed between PROTEKTOR SA and mBank SA. Limit granted in the amount of PLN 2,500,000. Guarantee by ABEBA in the amount of PLN 3,125,000 until July 15, 2026 (loan validity date).
- ◆ Framework agreement for a multi-product line signed between PROTEKTOR SA and mBank SA. Limit granted in the amount of PLN 2,025 thousand. Guarantee by ABEBA in the amount of PLN 2,756 thousand until June 30, 2026 (line validity date).
- ◆ Framework agreement regarding a guarantee line signed between PROTEKTOR SA and mBank SA. Limit granted in the amount of PLN 749,000. Guaranteed by ABEBA in the amount of PLN 738,000 until June 28, 2030 (line validity date).

For the guarantees granted, ABEBA GmbH receives remuneration from PROTEKTOR SA, calculated at the end of each financial year according to the following formula:

Remuneration = $0.2\% \times \text{surety amount} \times \text{surety validity period} \times \text{reference interest rate of the surety currency for a given period}$.

Within the ABEBA Capital Group, during the reporting period, subsidiaries granted each other guarantees.

Guarantee granted by ABEBA GmbH in favour of Inform Brill GmbH:

- ◆ Loan agreement for the purchase of a Stemma machine signed between Inform Brill GmbH and Bank 1 Saar. The loan granted is EUR 172,600 for the period from November 30, 2023, to December 31, 2025.

For the above-mentioned guarantee, ABEBA does not receive any remuneration from Inform Brill.

Guarantee granted by Inform Brill GmbH in favour of ABEBA GmbH:

- ◆ Overdraft agreement signed between ABEBA Spezialschuh-Ausstatter GmbH and Bank 1 Saar. The current account includes a credit line of up to EUR 1,900,000. The guarantee for the amount of the credit used within the granted limit was entered into on February 22, 2022, for an indefinite period.

Inform Brill does not receive any remuneration from ABEBA for the above-mentioned guarantee.

8. Statements of the Management Board

In accordance with the requirements of the Regulation of the Minister of Finance of 6 June 2025 on current and periodic information provided by issuers of securities and conditions for recognizing as equivalent information required by the laws of a non-member state, the Management Board of PROTEKTOR SA declares that this half-yearly report on the activities of the Protektor Capital Group and PROTEKTOR SA presents a true picture of the development, achievements and situation of the Group and the Parent Company, including a description of the basic threats and risks.

This consolidated half-yearly report of the Protektor Capital Group and PROTEKTOR SA was approved for publication by the Management Board of PROTEKTOR SA on September 30, 2025.

Signatures of all members of the Management Board

Radosław Rogacki	President of the Management Board	
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Lublin, September 30, 2025