

A collage of four images related to Oponeo: an Oponeo building, a large stack of tires, a screenshot of the Oponeo website showing tire products like Fulda ECOCONTROL HP, Uniroyal Rainsport 3, and Pirelli P1 Cinturato Verde, and a financial chart showing stock prices and a candlestick graph.

**oponeo**

# Management Board's Report on operations for H1 2022

18.08.2022

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## SELECTED FINANCIAL DATA

Selected financial information for the OPONEO.PL Group	in PLN '000		in EUR '000	
	01.01.2022-30.06.2022	01.01.2021-30.06.2021	01.01.2022-30.06.2022	01.01.2021-30.06.2021
Net revenues from sales of products, goods and materials	<b>691,580</b>	<b>622,057</b>	<b>148,961</b>	<b>136,803</b>
Profit (loss) from sales	144,584	133,033	31,142	29,257
Operating income (loss)	11,758	26,908	2,533	5,918
Gross profit (loss)	8,610	27,276	1,855	5,999
Net profit (loss)	<b>5,517</b>	<b>22,237</b>	<b>1,188</b>	<b>4,890</b>
Net cash flows from operating activities	-163,050	-14,595	-35,120	-3,210
Net cash flows from investing activities	-2,964	-25,522	-638	-5,613
Net cash flows from financial activities	26,080	100,875	5,617	22,184
Net cash flows in total	<b>-139,934</b>	<b>60,758</b>	<b>-30,141</b>	<b>13,362</b>
<b>Assets in total</b>	<b>778,708</b>	<b>576,754</b>	<b>166,369</b>	<b>127,578</b>
Liabilities and provisions for liabilities	447,393	264,553	95,585	58,519
Long-term liabilities	96,055	36,511	20,522	8,076
Short-term liabilities	351,338	228,042	75,063	50,443
<b>Equity</b>	<b>331,315</b>	<b>312,201</b>	<b>70,785</b>	<b>69,059</b>
Share capital	13,936	13,936	2,977	3,083
<b>Number of shares (pcs)</b>	<b>13,936,000</b>	<b>13,936,000</b>	<b>13,936,000</b>	<b>13,936,000</b>
Profit (loss) per ordinary share (in PLN/EUR)	0.40	1.60	0.09	0.35
Diluted profit (loss) per ordinary share (in PLN/EUR)	0.40	1.60	0.09	0.35
Accounting value per one share (PLN/EUR)	23.77	22.40	5.08	4.96
Diluted accounting value per one share (PLN/EUR)	23.77	22.40	5.08	4.96

Selected financial data of OPONEO.PL S.A.	in PLN '000		in EUR '000	
	01.01.2022- 30.06.2022	01.01.2021- 30.06.2021	01.01.2022- 30.06.2022	01.01.2021- 30.06.2021
Net revenues from sales of products, goods and materials	<b>539,992</b>	<b>497,906</b>	<b>116,310</b>	<b>109,500</b>
Profit (loss) from sales	111,059	104,320	23,921	22,942
Operating income (loss)	10,184	19,972	2,194	4,392
Gross profit (loss)	8,140	20,577	1,753	4,525
Net profit (loss)	<b>5,626</b>	<b>16,984</b>	<b>1,212</b>	<b>3,735</b>
Net cash flows from operating activities	-157,166	3,236	-33,852	712
Net cash flows from investing activities	-1,881	-699	-405	-154
Net cash flows from financial activities	24,159	27,164	5,204	5,974
Net cash flows in total	<b>-134,888</b>	<b>29,701</b>	<b>-29,054</b>	<b>6,532</b>
<b>Assets in total</b>	<b>637,087</b>	<b>460,800</b>	<b>136,112</b>	<b>101,929</b>
Liabilities and provisions for liabilities	403,362	242,337	86,177	53,605
Long-term liabilities	91,599	31,183	19,570	6,898
Short-term liabilities	311,763	211,154	66,607	46,707
<b>Equity</b>	<b>233,725</b>	<b>218,463</b>	<b>49,935</b>	<b>48,324</b>
Share capital	13,936	13,936	2,977	3,083
<b>Number of shares (pcs)</b>	<b>13,936,000</b>	<b>13,936,000</b>	<b>13,936,000</b>	<b>13,936,000</b>
Profit (loss) per ordinary share (in PLN/EUR)	0.40	1.22	0.09	0.27
Diluted profit (loss) per ordinary share (in PLN/EUR)	0.40	1.22	0.09	0.27
Accounting value per one share (PLN/EUR)	16.77	15.68	3.58	3.47
Diluted accounting value per one share (PLN/EUR)	16.77	15.68	3.58	3.47

For the purpose of converting the presented data into euro, the following euro exchange rates were used:

- For items of the statements of comprehensive income and the statements of cash flows:
  - 4.6427 – the exchange rate calculated as the average of NBP [National Bank of Poland] exchange rates for the last day of each month for the first half of 2022,
  - 4.5471 – the exchange rate calculated as the average of NBP exchange rates for the last day of each month of the first half of 2021,
- For the items of the statement of financial position:
  - 4.6806 – NBP exchange rate as at 30 June 2022.
  - 4.5208 – NBP exchange rate as at 30 June 2021,



## THE OPONEO GROUP IN THE FIRST HALF OF 2022

**Concise description of significant achievements or failures of OPONEO.PL Group during the year together with indication of the most important events in H1 2022**

### FINANCIAL RESULTS - INCREASE IN REVENUE AND GROSS INCOME ON SALES

In H1 2022, the OPONEO.PL Group generated sales revenues at the level of PLN 691,580 thousand, compared to PLN 622,057 thousand in the corresponding period of the previous year, constituting an increase of 11.2%. Despite unfavourable geopolitical conditions affecting the market, the Group maintains stable revenue levels.

The gross profit from sales was PLN 144,584 thousand, i.e. it increased by 8.7% in relation to H1 2021.



The gross return on sales was at the level of 20.91% in H1 2021.- Net profit of PLN 22,237 thousand was 75.2% lower than in the corresponding period of the previous year due to higher costs.

### EXPANSION OF STORAGE INFRASTRUCTURE

In order to satisfy the Group's requirements concerning the number of stored goods in the peak periods of changing tyres, the OPONEO.PL Group has expanded its logistics capabilities. In May 2022, the warehousing centre was moved to a new location, a cutting-edge warehouse located in Zelgoszcz, near Łódź, with an area of more than 72,000 m<sup>2</sup>, was commissioned. This is currently the Group's main warehouse, through which all customer orders will ultimately be handled. In addition, logistics processes are constantly being improved, including the automation of goods release processes.



### SUBSIDIARIES

The OPONEO.PL Group also sells through its subsidiaries - power tools and tools by ROTOPINO.PL S.A. and bicycles, bicycle parts and accessories by Dadelo S.A. In Q1 2022, the revenue of the subsidiary ROTOPINO.PL S.A. increased by 7.9% and amounted to PLN 66,852 thousand, which accounted for 9.7% of the total revenue of the OPONEO.PL Group. The revenue of the subsidiary Dadelo S.A. in H1 2022 amounted to PLN 60,852 thousand and increased by 40.88% compared to H1 of the previous year, accounting for 8.8% of the total revenue of the OPONEO.PL Group for H1 2022.

# 1. MACROECONOMIC SITUATION AND E-COMMERCE SECTOR



## 1. MACROECONOMIC SITUATION AND E-COMMERCE SECTOR

### 1.1. ECONOMIC GROWTH RATE

The socio-economic situation in the first half of 2022, both domestically and internationally, was affected by the soaring price of energy carriers, primarily gas and oil. This translated into price increases for all products, thus triggering inflationary processes on an unprecedented scale. The unresolved conflict in Ukraine and the embargo on raw materials from Russia will, in the long term, result in the persistence of inflation and a reduction in GDP in all countries of the Union.

According to the estimates of the Institute for Economic Forecasts and Analysis (Instytut Prognoz i Analiz Gospodarczych - IPAG), the GDP growth in Q2 was 4.9%.<sup>1</sup> The institute's analysts predict a decline in economic growth in the third quarter to 2.8% and to 2.4% in the fourth quarter.

According to estimates from Statistics Poland, the prices of goods and services rose by an average of 15.5% in June.<sup>2</sup> The price increases of gas (by 46.2%), energy carriers (by 35.1%) and food (by 14.8%) had the greatest impact on shaping such a high inflation rate.

Preliminary figures for annual HICP inflation in the euro area published by Eurostat showed an increase to 8.6%, with the biggest contributors to the rise in inflation coming from energy prices (up 41.9%), food, alcohol and tobacco (up 8.9%) and non-energy industrial goods (up 4.3%).

### 1.2. FINANCIAL MARKET

The main factor shaping the situation on global financial markets in H1 2022 is the armed conflict in Ukraine, resulting in historically high oil, gas and coal prices. The sanctions and embargo on energy raw materials imposed on Russia are affecting not only the European market but also the global one. The limited supply of these raw materials is driving growth of the prices and causing major turbulence in the market. Experts are already talking openly about an energy crisis that will affect Europe and the world. The rise in prices of basic energy carriers is reflected in the prices of all products, generating ever-increasing inflation. The consequence of this is an increase in interest rates, which severely reduces consumption and the availability of external financing.

The Monetary Policy Council has already raised key interest rates seven times this year, and July's increase was the tenth in a cycle of increases that began in October 2021. Over this period, the NBP reference rate rose from 0.1% to 6.5%. This is particularly acute for mortgage borrowers, whose instalments have doubled. At the same time, the stock market has seen significant declines and increased risk aversion.

In response to rising inflation, other European central banks have also raised interest rates. The European Central Bank also began a cycle of increases, raising the main interest rate to 0.5% on 21 July 2022.<sup>3</sup> It had been at zero since March 2016. The ECB's actions are primarily related to the desire to curb price increases (current inflation in the EU is almost 10%) and the weakness of the euro against the dollar. Goldman Sachs analysts predict that the ECB will accelerate its hike cycle, reaching the target interest rate of 1.75% in March 2023.<sup>4</sup>

<sup>1</sup> Source: IPAG, [www.ipag.org.pl/Content/Uploaded/files/Prognozy\_IPAG\_2022\_3(115).pdf]

<sup>2</sup> Source: Statistics Poland, [stat.gov.pl/obszary-tematyczne/ceny-handel/wskazniki-cen/wskazniki-cen-towarow-i-uslug-konsumpcyjnych-w-czerwcu-2022-roku,2,128.html]

<sup>3</sup> Source: ECB, [www.ecb.europa.eu/press/pr/date/2022/html/ecb.mp220721~53e5bdd317.en.html]

<sup>4</sup> Source: Bankier.pl, [www.bankier.pl/wiadomosc/Goldman-Sachs-EBC-przyspieszy-cykl-podwyzek-8379161.html]



On 03 August 2022, the Monetary Policy Committee (MPC) of the Bank of England increased the main interest rate by 50 basis points to 1.75%.<sup>5</sup> This is the biggest increase in interest rates in the UK in the past 27 years. Banking experts predict an increase in inflation in Britain from the 9.4% recorded in June to 13.3% in Q4 2022, as well as a 2.1% decline in GDP.

Also FED began fighting inflation in the US, the highest since 1981, which reached 9.1% year-on-year in June. On 27 July 2022, the Federal Open Market Committee (FOMC) raised the interest rate by 75 bps to a range of 2.25% - 2.5%.<sup>6</sup> This is the fourth increase in a row and the second of this magnitude.

In the foreign exchange market, we are seeing the effect of the weakening of the Polish currency, which further reduces the competitiveness of companies using imported raw materials and products. The average USD/PLN exchange rate at the end of June 2022 stood at 4.48 against 3.80 in June 2021. The EUR/PLN exchange rate for the same periods was 4.68 and 4.52 respectively.<sup>7</sup>

### 1.3. AUTOMOTIVE MARKET

In H1 2022, 212,400 new passenger cars were registered in Poland, down 12.3% on H1 2021.<sup>8</sup> Seven years of increases (from 2013 to 2019) were followed by a decline in 2020 related to the COVID-19 pandemic, before the market saw a rebound in 2021. In the current year, we are witnessing a decline that continues month by month. This is due to the availability of components (semiconductors) and subassemblies also produced in Ukraine. In parallel, the conflict in Ukraine has negatively affected the fluidity of new car deliveries. The increase in purchase and maintenance costs, as well as the increased cost of financing vehicle purchases, undoubtedly also have a direct impact on the decline in sales. Uncertainty regarding the budgets of companies and individual customers, may maintain such a trend in the following months. There is also a downward trend in the number of used passenger car registrations. In H1 2022, 367.8 thousand of them were registered, compared to 436.0 thousand in H1 2021 (down 15.6%).<sup>9</sup>

The downward trend in the automotive market is also confirmed by the Automotive Market Research Institute SAMAR, which published a report on car imports to Polish used-car lots. In the first half of 2022, owners of used-car lots imported 403.2 thousand cars and vans weighing up to 3.5 tonnes into the country, which is 15.3% less than in the same period of the previous year. At the same time, June 2022, with 68.2 thousand, is the worst in nine years for used car imports. Even during the first wave of the pandemic in June 2020, the number of imported cars was higher than now.<sup>10</sup>

The limited supply on the new car market and the uncertain economic situation, also affected the number of lease contracts concluded. According to the Polish Leasing Association, in the first half of 2022, the value of financed passenger vehicles amounted to PLN 14.8 billion, compared to PLN 16.7 billion in the same period of the previous year, a decrease of 11.2%.<sup>11</sup>

<sup>5</sup> Source: Bank of England, [www.bankofengland.co.uk/monetary-policy-summary-and-minutes/2022/august-2022]

<sup>6</sup> Source: Businessinsider, [businessinsider.com.pl/gospodarka/jest-decyzja-fed-stop-y-procentowe-w-usa-znow-w-gore/f4z249x]

<sup>7</sup> Source: NBP, [www.nbp.pl/home.aspx?f=/statystyka/kursy.html]

<sup>8</sup> Source: PZPM, [www.pzpm.org.pl/pl/Rynek-motoryzacyjny/Rejestracje-Pojazdow/Rejestracje-samochody-osobowe-i-dostawcze/Czerwiec-2022r]

<sup>9</sup> Source: CEPIK, [www.cepik.gov.pl/statystyki]

<sup>10</sup> Source: Bankier, [www.bankier.pl/moto/ruch-w-komisach-samochodowych-najnizszy-od-9-lat-jest-nawet-gorzej-niz-na-poczatku-pandemii-11892/]

<sup>11</sup> Source: ZPL, [www.leasing.org.pl/files/uploaded/1\_ZPL\_Prezentacja\_Wyniki%20branzy%20leasingowej\_I\_polowa%202022\_27.07.2022\_1.pdf]

#### 1.4. TYRE MARKET

According to data on tyre sales to the market in H1 2022 in Poland, presented by the Polish Tyre Industry Association, sales of passenger car tyres increased by 9%, SUV +18%, truck +4%, van +10%, and motorbike +11%. Declines were recorded in the agricultural tyre segment (-20%) and in the industrial tyre segment (-6%).<sup>12</sup> Tyre sales in the budget and mid-range classes increased, while sales in the premium class declined slightly. Despite the cumulative growth over the entire six months, it is noteworthy that the second quarter of 2022 alone closed with declines in the passenger car tyre -7%, light truck tyre -15%, agricultural tyre -26% and industrial tyre -20% segments. Only the SUV tyre and motorbike tyre segments recorded growth of respectively +10% and +4.2%. According to Piotr Sarnecki, CEO of PZPO, the second quarter figures may indicate an emerging uncertainty about developments in the following months of the year.

The positive six-month upward trend is reflected in sales figures in Europe. According to ETRMA, 117,717 thousand passenger tyres were sold in Europe in H1 2022, an increase of +7.3% compared to the same period in 2021. Sales increases in the first half of this year were recorded in the truck tyre +10.4% and motorbike tyre +5.2% segments<sup>13</sup>, whereas the agricultural tyre segment recorded a decrease of -13.6%. In a comment on the report, Fazilet Cinaralp secretary general of ETRMA pointed out that declines in demand were being witnessed, and the industry was under pressure from increased gas costs and disruptions related to the supply of raw materials and intermediates.

#### 1.5. TOOL AND DIY MARKET

Observations of the tool market in H1 2022 indicate that rising inflation, interest rate increases and the economic consequences of Russia's invasion of Ukraine have slowed demand and increased tool prices by an average of 20%.<sup>14</sup> This undoubtedly has a direct impact on Poles' renovation plans. 92% of respondents to the PAYBACK Opinion Poll reported that they had felt the increase in prices of interior design products, building materials and costs associated with renovation services. As many as 94% of those surveyed are concerned about further price increases, and 40% of those in this group were forced to revise their original renovation plans and reduce their scope, which could affect demand in the tooling industry.<sup>15</sup> Despite adverse external factors, an increase in the number of residential units completed (up 3.7% on H1 2021) continues to be seen<sup>16</sup>. Despite rising prices, Poles mostly intend to fulfil their renovation plans. Evidence of this can be seen in the results of the house building report ("Raport o budowie domów") compiled by Oferteo.pl. Data collected from enquiries shows that nearly 40% of people were ready to start work immediately, 17% were looking for contractors months in advance and 21% were looking for contractors three months before the planned renovation.<sup>17</sup>

The effects of the slowdown in the renovation and construction tools segment are offset by the subsidiary ROTOPINO.PL S.A.'s emphasis on the sale of products in the home and garden category, the share of which is steadily increasing. Continued prudent stock management, further expansion of the product range and implementation of key product purchases ahead of price increases provide the subsidiary with stability of product availability, margin maintenance and high price competitiveness

<sup>12</sup> Source: Motofaktor, [www.motofaktor.pl/pzpo-podsumowalo-sprzedaz-opon-w-i-polroczu-2022/]

<sup>13</sup> Source: ETRMA [www.etrma.org/news-resources/news/], July 2022

<sup>14</sup> Source: PSB, [www.grupapbs.com.pl/centrum-prasowe/trendy-cenowe/trend/zmiany-cen-materialow-budowlanych-oraz-do-domu-i-ogrodu-w-czerwcu-i-za-6-miesiecy-2022-r.html]

<sup>15</sup> Source: CEO Magazyn Polska, [ceo.com.pl/czy-inflacja-pokrzyzuje-plany-remontowe-polakow-31795]

<sup>16</sup> Source: Housing construction in January - March 2022, Statistics Poland, Warsaw 2022.

<sup>17</sup> Source: Forsal, [forsal.pl/biznes/artykuly/8493920,polacy-nie-przestraszyli-sie-inflacji-nie-spada-zainteresowanie-uslugami-remontowymi.html]

## 1.6. BICYCLE MARKET

Bicycle manufacturers were surprised in H1 2022 by an offsetting demand for bicycles in price segments up to around PLN 6,000. More and more such products started to appear on the market. Demand for bicycles in the higher price levels was constantly exceeding supply. Consumer awareness of the positive environmental impact of this means of transport has been reinforcing the growth of the industry for a long time. An additional element supporting the consumers' interest in buying a bike, is a greater care for health and an increase in general physical activity of the society. At present not insignificant for the cycling market are also fuel prices, which record the highest levels for years. Both Poles and people from other European countries start to combine business with pleasure, seeing the health, ecological and economic dimensions in cycling.

There are still problems with ensuring continuity of supply of both finished products and components. There are indications from the market that, due to a shortage of a single component, there are tens of thousands of bikes waiting to be completed in manufacturers' warehouses.<sup>18</sup> The prolonged conflict in Ukraine amplifies the existing problems also in the bicycle market.

Rising interest rates limit the creditworthiness of an important consumer group for the bicycle industry. Increases in the prices of components used to manufacture bicycles, exchange rates and also logistics costs have a direct impact on the price of finished products. At the moment, distributors with the right product mix and a well-organised logistics process have an upper hand in the market.

## 1.7. E-COMMERCE MARKET

According to a report prepared by Strategy& Poland, which operates as part of the PWC consulting firm, the estimated value of the Polish e-commerce market in 2022 will be around PLN 109 billion.<sup>19</sup> The persistence of consumer behaviours and habits acquired during the pandemic leads us to believe that the upward trend in the e-commerce market will continue in the coming quarters and years. E-commerce companies have been increasing their online sales volumes for some time now, with the addition of new online stores and marketplaces. In addition to the platforms already present on the Polish market, major expansion is taking place by new players who have decided to enter our market, including Amazon, Shopee and Ebay.

According to estimates by Statistics Poland, retail sales in Poland increased by 9.1% in H1 2022 compared to the same period of the previous year. June 2022 alone recorded a 3.2% increase in sales compared to June 2021. At the same time, online sales accounted for 8.9% of retail sales (at current prices) in June 2022.<sup>20</sup>

## 1.8. LEGAL CHANGES

From 01 January 2022, the tax legislation enacted as part of the Polish Deal ("Polski Ład") came into force. The amendments were published in the Journal of Laws item 2105 and are contained in the Act of 29 October 2021 amending the Personal Income Tax Act, the Corporate Income Tax Act and certain other laws. The new tax arrangements include incentives for entrepreneurs investing in robotisation and modernisation, including through the introduction of the so-called robotisation allowance, allowing for a reduction in the tax burden as a result of the purchase of brand new industrial robots

<sup>18</sup> Source: TVN24, [tvn24.pl/polska/problemy-rowerowego-ryнку-to-jest-absurd-stoja-te-rowery-gdzie-na-magazynie-i-czekaja-tylko-na-jedna-czesc-5737571]

<sup>19</sup> Source: Strategy& Polska, [www.strategyand.pwc.com/pl/pl/publikacje/2022/perspektywy-rozwoju-ryнку-e-commerce-w-polsce-2018-2027.html]

<sup>20</sup> Source: Statistics Poland, [stat.gov.pl/obszary-tematyczne/ceny-handel/handel/dynamika-sprzedazy-detalicznej-w-czerwcu-2022-roku,14,91.html]

and the software and things necessary to operate these robots, the modernisation in research and development allowance and the innovative employees allowance.

Changes related to the Polish Deal may affect the amount of taxes which OPONEO.PL S.A. is obliged to pay.

On 15 June 2022, the Act of 9 June 2022 amending the Personal Income Tax Act and certain other Acts (Journal of Laws 2022, item 1265), referred to as the Polish Deal 2.0, was published in the Polish Journal of Laws. The main changes introduced by the Act include: a reduction in the PIT rate from 17% to 12%, the abolition of the middle class allowance, and changes to the rules for settling health insurance premiums for taxpayers on a flat-rate tax and lump-sum tax on registered income. The new rules took effect from 1 July 2022.

In the scope of PIT, changes may influence the costs of activity - due to changes in financial expectations of contractors who are natural persons. The tax changes being implemented, will undoubtedly have an impact on the wallets of individual consumers and the finances of companies.

As early as 1 and 2 August 2022, two directives will take effect across the European Union:

- Directive (EU) 2019/1152 of the European Parliament and of the Council of 20 June 2019 on transparent and predictable working conditions in the European Union (Official Journal of the EU L 186, 2019, p. 105),<sup>21</sup>
- Directive (EU) 2019/1158 of the European Parliament and of the Council of 20 June 2019 on work-life balance for parents and carers and repealing Council Directive 2010/18/EU (Official Journal of the EU L 188, 2019, p. 79)<sup>22</sup>

The first directive aims to improve working conditions by promoting more transparent and predictable employment. The second directive (the work-life balance directive) seeks to ensure the establishment of minimum requirements aimed at achieving equality between men and women with regard to labour market opportunities and treatment in the workplace by making it easier for workers who are parents or carers to reconcile their working and family lives. Both of these directives contain provisions that oblige Member States to introduce sanctioning provisions to ensure compliance with the new rules. Therefore, in addition to changes for employees and employers, there will be new categories of offences.

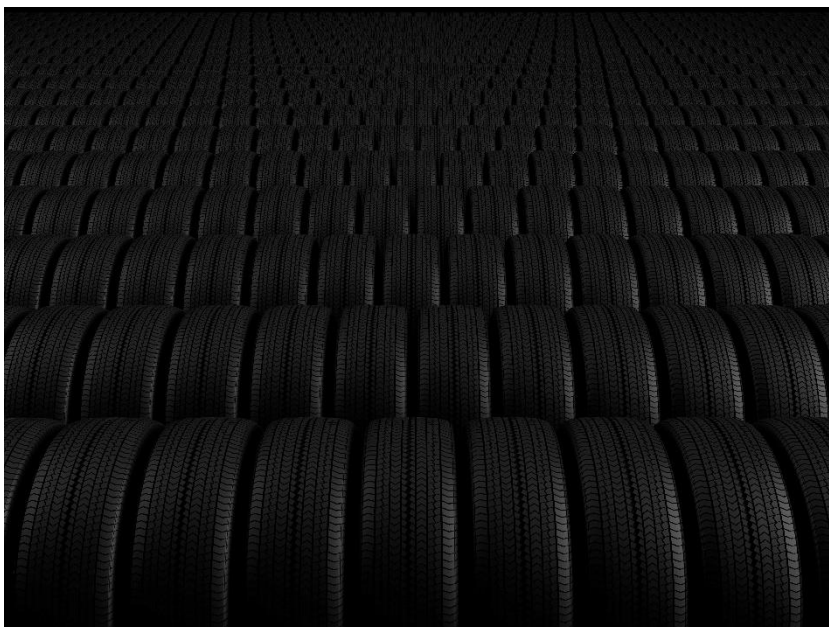
Given the need to implement the aforementioned EU directives into national legislation, the Ministry of the Family and Social Policy has prepared a draft act amending the Labour Code Act and certain other acts. Before the national legislation becomes effective, employers should prepare for the implementation of the resulting standards.

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<sup>21</sup> Source: EU, [eur-lex.europa.eu/legal-content/PL/TXT/?uri=CELEX%3A32019L1152]

<sup>22</sup> Source: EU, [eur-lex.europa.eu/legal-content/PL/TXT/?uri=CELEX%3A32019L1158]

## 2.COMMENTARY TO THE FINANCIAL RESULTS OF THE OPONEO.PL GROUP IN THE FIRST HALF OF 2022





## 2. COMMENTARY TO THE FINANCIAL RESULTS OF THE OPONEO.PL GROUP IN THE FIRST HALF OF 2022

### 2.1. MAIN FACTORS AFFECTING FINANCIAL RESULTS

In H1 2022, the OPONEO.PL Capital Group generated a gross profit of PLN 5,517 thousand, compared to PLN 22,237 thousand in the corresponding period of the previous year.

The main factors shaping the OPONEO.PL Group's financial result in H1 2022 were:

- An 11.2% increase in revenue from sales compared with the same period of the previous year, reaching a result of PLN 691 580 thousand. The increase in the Group's revenue was mainly due to the increase in revenue of the parent company to PLN 539,992 thousand (an increase of 8.45%) and the subsidiaries Dadelo S.A. with a result of PLN 60,852 thousand (an increase of 40.88%) and Rotopino.pl S.A. with sales of PLN 66,852 thousand (an increase of 7.9%).
- A 25.62% increase in operating expenses (i.e. cost of sales and management expenses) from PLN 104,920 thousand to PLN 131,804 thousand. In H1 2022, the costs of third-party services increased by 27.2% closing at PLN 58,721 thousand. This result is primarily a consequence of an increase in the costs of transport, forwarding and warehousing services. Compared with the same period of the previous year, other operating expenses were at the level of PLN 26,545.5 thousand, an increase of 12.6%. This was driven by an increase in costs related to bank charges and the handling of internet payments, as well as the cost of advertising. Staff costs are also a major item in the cost structure. In H1 2022, they closed at PLN 31,326 thousand. and were 32.6% higher than in H1 2021.

Basic items of the consolidated statement of comprehensive income Of the OPONEO.PL Group (in PLN thousands)	01.01.2022- 30.06.2022	01.01.2021- 30.06.2021	Change	
			in PLN thousands	in %
Sales revenues	691,580	622,057	69,523	11.18%
Prime costs of the sale	-546,996	-489,024	-57,972	11.85%
Operating expenses (administrative and selling expenses)	-131,804	-104,920	-26,884	25.62%
Result on other operating activities	-1,022	-1,205	183	x
Result on financial activities*	-3,148	368	-3,516	x
Gross result	8,610	27,276	-18,666	-68.43%
Income tax	-3,093	-5,039	1,946	x
<b>Net result</b>	<b>5,517</b>	<b>22,237</b>	<b>-16,720</b>	<b>-75.19%</b>
<i>Including the tax attributable to the shareholders of the parent entity</i>	<i>4,662</i>	<i>22,237</i>	<i>-17,575</i>	<i>-79.03%</i>

\*Including share in profits (losses) of entities accounted for using the equity method.

### Sales revenue

In H1 2022, the Group's sales revenues amounted to PLN 691,580 thousand. The total domestic sales of OPONEO.PL Group amounted to PLN 550,750 thousand, recording an increase of 3.6%, while the Group's foreign sales amounted to PLN 140,830 thousand with an increase of 55.8%. The share of

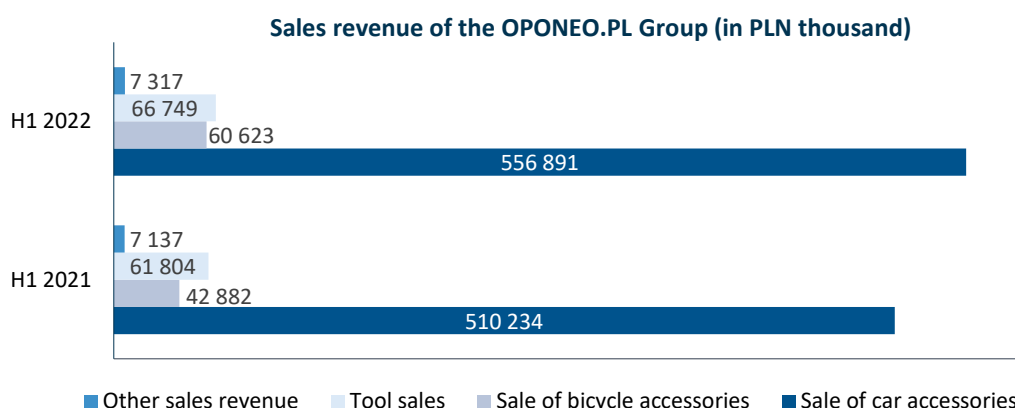
foreign sales in the Group's total sales in H1 2022 amounted to 20.36%, while domestic revenues accounted for 79.64%.

The main source of revenue of the dominant company was the sales of tyres, which reached PLN 481,076 thousand, an increase of 8,7% in comparison to the first half of 2021. In H1 2022, OPONEO.PL alone generated PLN 30 319 thousand in revenue from the sale of wheels, 5.6% more than in the same period of the previous year.

Currently, OPONEO.PL Group divides its activities into the following operating segments:

- Sale of car accessories (tyres, wheels and car accessories);
- Tool sales (hand tools and power tools);
- Sale of bicycle accessories (bicycles and bicycle accessories).

Revenues from the sale of car accessories account for the largest share of the Group's revenues at 80.5%, reaching PLN 556,891 thousand, an increase of 9.14% compared to the previous period's figures. The largest increase in revenue, of 41.4%, was achieved in the segment of bicycle accessories, reaching the value of PLN 60,623 thousand. The tools segment recorded an 8.0% increase in revenue compared to the previous period, reaching PLN 66,749 thousand.



### Result on financial activities

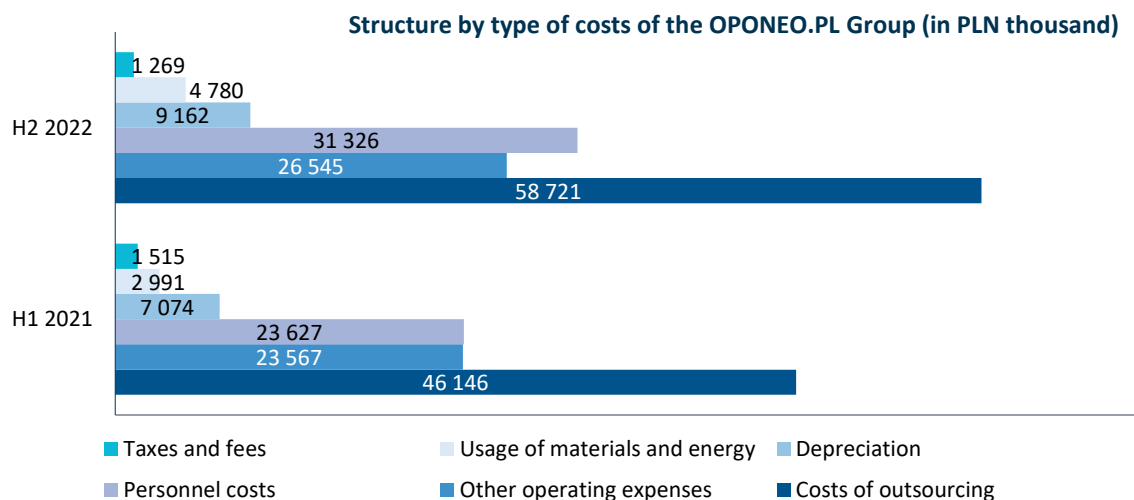
In the first half of 2022, the Group's result on financial activities was at the level of PLN -3,008 thousand, compared to the result of PLN 722 thousand achieved in the corresponding period of the previous year. The decrease in the result from financing activities was mainly due to the negative balance on foreign exchange differences.

### Operating costs

The main item of operating costs of the OPONEO.PL Group are the costs of outsourcing. In H1 2022, they amounted to PLN 58,721 thousand and accounted for 44.6% of total operating costs. They were 27.25% higher than in the previous year. This increase is due, among other things, to the need to adapt the new increased warehouse space. The increase in third-party services costs was also influenced by costs related to the transport of goods inventory to the new warehouse.

Personnel costs (salaries and other employee benefits) also played a significant role. In H1 2022, they closed with the amount of PLN 31,326 thousand and represented 23.8% of the Group's operating expenses. Staff costs increased by 32.6% compared to the corresponding period of the previous year.

Other operating expenses in H1 2022 stood at PLN 26,545 thousand and accounted for 20.1% of operating expenses, an increase of 12.6% compared to the previous year. This was driven by an increase in costs related to bank charges and the handling of internet payments, as well as the cost of advertising.



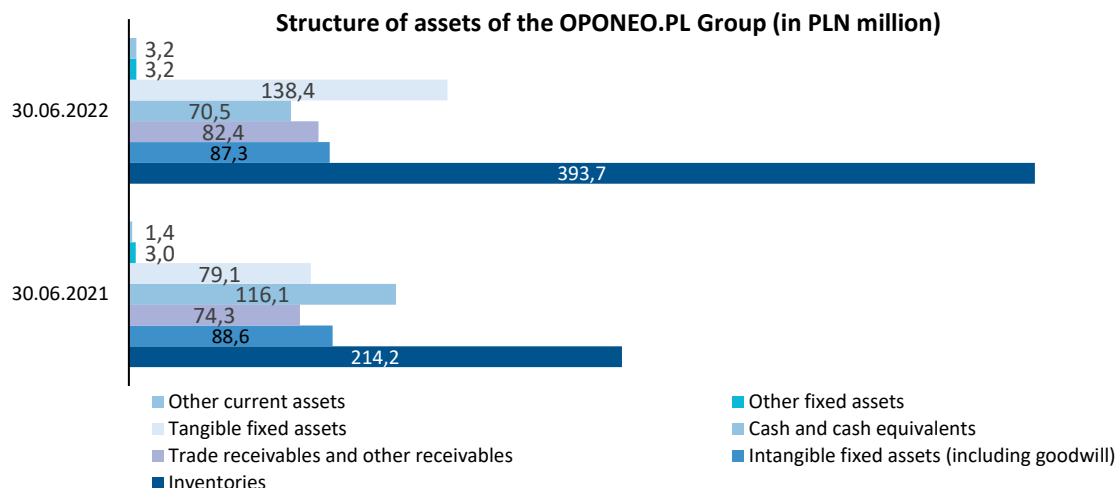
### Income tax

In the income statements for the first half of 2022, the Group included PLN -628,4 thousand of the deferred tax. Deferred tax applies to:

- discount correction for H1 2022, taxable at the date of issue,
- the provision for employee benefits,
- settlement at the time of revenue from deferred payments and revenues related to the adaptation of warehouse space,
- leasing settlement,
- foreign currency valuation of assets and liabilities,
- non-amortized portions of acquired domains.

## 2.2. FINANCIAL SITUATION

30 June 2022, the total assets of the OPONEO.PL Group amounted to PLN 778,708 thousand and were 35% higher than at the end of June 2021.

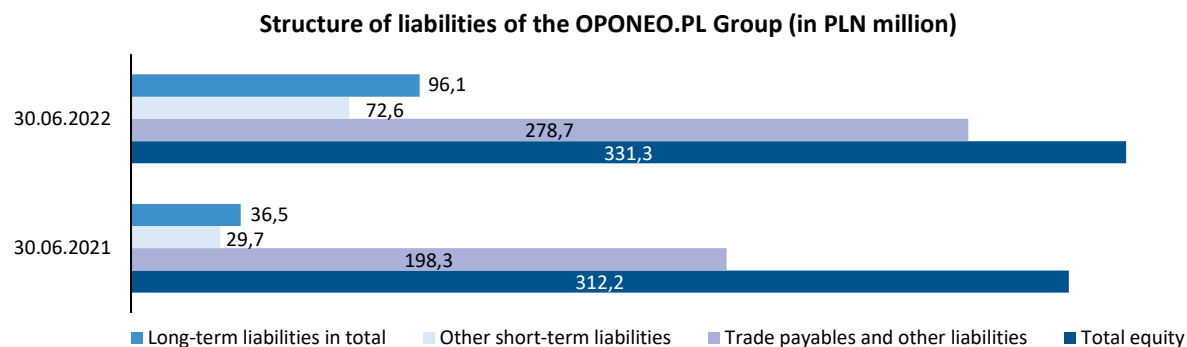


The main assets of the Group are:

- Inventories with a value of PLN 393,693 thousand (50.6% of assets), which increased by 83.8% compared to the same period of the previous year, resulting from an increase in the stock supply of OPONEO.PL S.A. for the autumn-winter season.
- Intangible assets (including goodwill) valued at PLN 87 264 thousand (11.2% of assets). A decrease of 1.5% on the same period last year.
- As at the end of June 2022, trade receivables and other receivables amounted to PLN 48,903 thousand, i.e. 10.6% of total assets. They grew by 10.8% in annual terms.
- Cash and equivalents - as at 30 June 2022 these amounted to PLN 70,495 (9% of assets). They were lower by 39.3% as compared to June 2021.
- Tangible fixed assets - of a value of PLN 138,434 (17.8% of assets) increased by 74.9% compared to the corresponding period of the previous year. This is primarily related to the acceptance into the records of the new warehouse used by the Company OPONEO.PL.

In H1 2022, the OPONEO.PL Group financed 42.5% of its activities from own resources. Equity was PLN 331,315 thousand compared to PLN 312,201 thousand in the previous year (increase by 6.12%).

A significant share in the Group's total balance sheet also comes from short-term trade payables and other liabilities of PLN 278,724 thousand (35.8% of liabilities). Their amount increased by 40.5% compared to the end of June 2021.

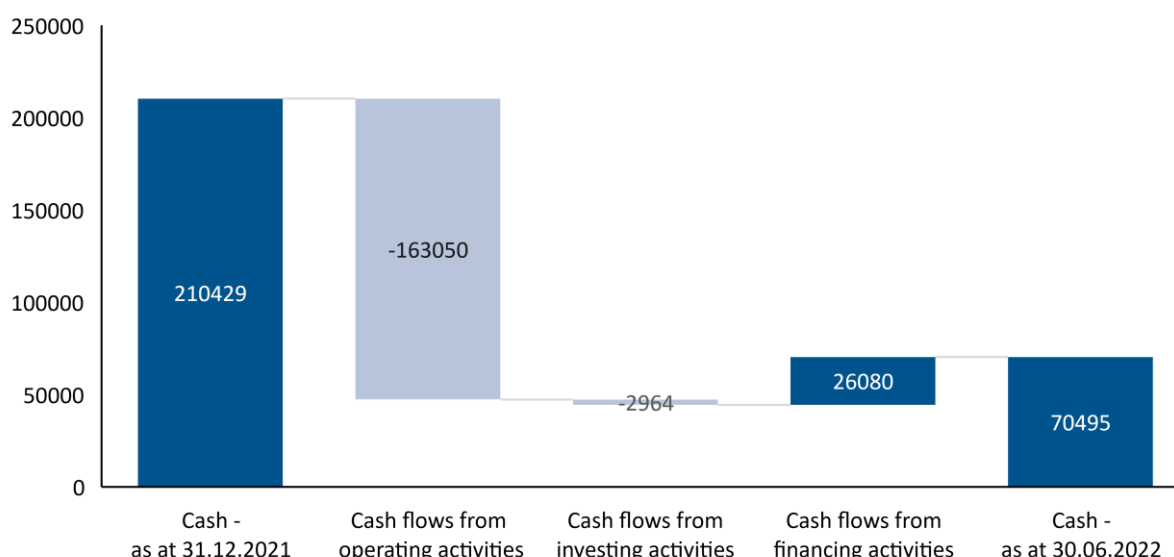


### 2.3. CASH FLOWS

In the first half of 2022, the OPONEO.PL Group recorded cash flows of PLN -139,934 thousand compared to PLN 60,758 thousand in the same period of the previous year. The main factors shaping the recorded flow were:

- Negative cash flows from operating activities of PLN -163,050 thousand. The change in inventories by PLN 234,753 thousand had the greatest negative impact on such operating result, while the change in liabilities by PLN 63,957 thousand had a positive impact.
- Negative cash flows from investing activities amounting to PLN -2,964 thousand. This was primarily due to: investments in tangible and intangible fixed assets.
- Positive cash flows from financing activities of PLN 26,080 thousand, with the largest positive impact from loans and borrowings of PLN 55,579 thousand, and a negative impact from dividends paid of PLN 19,473 thousand.

**Cash flows of the OPONEO.PL Group in H1 2022 (in PLN thousand)**



### 2.4. CHANGES IN EQUITY

At the end of June 2022, shareholders' equity stood at PLN 331,315 thousand, compared with PLN 312,201 thousand a year earlier, an increase of 6.1%.

### 2.5. FINANCIAL RATIOS

The OPONEO.PL Group presents selected financial ratios because, in its opinion - together with the data presented in the financial statements - they are a source of valuable information on the financial and operational situation, as well as facilitate the analysis and evaluation of the financial results achieved by the Group over the course of the year.

The financial indicators of the Group have been presented in accordance with the guidelines of the European Securities and Markets Authority (ESMA) regarding Alternative Performance Measurements (APM) in order to harmonise the method of calculating the indicators of listed companies on the WSE market.

The selected ratios presented by the Group (profitability, liquidity, debt and asset turnover ratios) are standard measures and ratios commonly used in financial analysis. Their selection was preceded by an assessment of their suitability in terms of the specific nature of the Group's business and to provide



investors with additional useful information on the Group's financial standing, cash flows and financial efficiency. In the Issuer's opinion, this allows it to assess the presented financial results in the most optimal way. However, it must be emphasised that the APM ratios used by the Group should only be analysed as additional information to support the financial assessment and considered together with all data and information from the Group's published financial statements.

Due to the significant increase in the cost of sales, all the Group's profitability indicators decreased in H1 2022. EBIT margin, was 1.7% compared to 4.3% EBIT margin for H1 2021, and EBITDA margin, was 3.02% compared to 5.46% for H1 2021. The net profit margin decreased by 2.77 pp reaching 0.8%. Due to the reduction in net profit, ROA and ROE have also decreased.

Profitability ratios %	H1 2022	H1 2021
<b>EBIT Margin in %</b> (EBIT / Sales revenue) x 100%	1.70%	4.33%
<b>EBITDA Margin in %</b> (EBITDA / Sales revenue) x 100%	3.02%	5.46%
<b>Gross margin on sales in %</b> (Gross profit from sales / Sales revenue) x 100%	20.91%	21.39%
<b>Net profit margin (loss) in %</b> (Net profit / Sales revenue) x 100%	0.80%	3.57%
<b>Return on Assets - ROA</b> (Net Profit / Assets) x 100%	0.71%	3.86%
<b>Return on Equity - ROE</b> (Net Profit / Equity) x 100%	1.67%	7.12%

Due to the significant increase in current liabilities (an increase of more than 54%), all liquidity ratios deteriorated. The current liquidity ratio for H1 2022 was 1.56% compared to 1.78% for H1 2021, while the accelerated liquidity ratio was 0.44% compared to 0.84% for H1 2021. Due to the decrease in the Group's cash and cash equivalents, the cash ratio also decreased from 0.51 to 0.2 for the current period. The increase in the Group's liabilities also had an impact on the debt ratio, which recorded a value of 57.45%. The substantial increase in tangible fixed assets, was also reflected in the ratio of fixed assets to equity, which increased to 69.10%. Given the Group's overall financial situation, the level of ratios can be considered safe.

Liquidity and debt ratios	H1 2022	H1 2021
<b>Current liquidity ratio</b> (Current assets / Short-term liabilities)	1.56	1.78
<b>Quick Liquidity Ratio</b> (Current assets - inventories - accrued expenses) / Short-term liabilities	0.44	0.84
<b>Cash liquidity ratio</b> (Cash and cash equivalents / short-term liabilities)	0.20	0.51
<b>Total debt ratio in %</b> (Total liabilities / Total assets) x 100%	57.45%	45.87%
<b>Equity-to-fixed-assets ratio</b> (fixed assets / equity) x 100%	69.10%	54.67%

All turnover ratios increased significantly in H1 2022, except for the receivables turnover ratio, which decreased to 21.44 days. Inventory turnover increased the most (by 50.69 days) reaching 129.55. This was primarily due to an increase in stocks across all group companies. The increase in the Group's liabilities resulted in an increase in the payables turnover ratio to 91.44 days from 65.99 in the previous period. The cash cycle lengthened by 25.17 days.

Asset turnover ratios	H1 2022	H1 2021
<b>Inventory cycle in days</b> (Inventories*180 / Prime costs of the sale)	129.55	78.86
<b>Receivables cycle in days</b> (Trade and other receivables*180 / Sales revenue)	21.44	21.51
<b>Current liabilities cycle in days</b> (Short-term liabilities*180 / Sales revenue)	91.44	65.99
<b>Cash cycle in days</b> (inventories cycle + receivables cycle - current liabilities cycle)	59.55	34.38

## 2.6. OTHER FINANCIAL INFORMATION

### 2.6.1. Loans and borrowings

OPONEO.PL S.A. has the possibility to use a multipurpose credit line taken from the BNP Paribas Bank Polska S.A. bank. The credit limit is PLN 120,000 thousand. The credit term was determined by 23 August 2028. The interest rate on the credit is the WIBOR base rate for one-month deposits plus a margin of 0.8 pp.

The credit line is secured by the following:

- blank promissory note,
- capped mortgage up to PLN 50,000 thousand.
- assignment of claims resulting from contract of property and inventory insurance,
- borrower's declaration of submission to Bank's debt enforcement,
- registered pledge on stock,
- transfer of existing and future receivables for all commercial receivables which are payable to the Borrower from all its debtors.

As at the end of H1 2022, the Company has drawn down PLN 55,579 thousand from the credit line.

At mBank S.A., OPONEO.PL S.A. has the possibility to use a line for financing current activities, granted on the basis of an agreement dated 28 October 2020. The limit resulting from this line is PLN 19,000 thousand. The period of use of the line is set until 30 June 2022. The interest rate on the credit is the WIBOR base rate for one-month deposits plus a margin of 1.0 pp.

As at 30 June 2022, the Company had zero utilisation of the line to finance day-to-day operations.

The obligation under the line for financing current operations is secured by:

- a blank promissory note with a promissory note declaration
- 2 blank promissory notes with a promissory note declaration - for any guarantees issued under the line.

On 16 February 2021, the Company entered into a non-revolving credit agreement with BNP Paribas Bank Polska S.A. for the amount of PLN 31,500 thousand which refinanced a significant part of own funds intended for the purchase of Rotopino.pl S.A. The credit bears interest on the basis of a variable base rate of 3-month WIBOR + a margin of 0.85 pp and is repaid in 60 monthly instalments (the last balancing instalment of PLN 12.6 million). The loan is secured with a blank promissory note, contractual mortgage on the company's real estate, assignment of the insurance policy for the real estate and a pledge on the shares of the purchased company. As at 30 June 2022, PLN 26,364 thousand remained outstanding.

OPONEO.PL S.A. has concluded contracts for the lease of warehouse space with the following companies:

- AIFM PL III Sp. z o.o. (earlier: PDC Industrial Center 43 Sp. z o.o.),
- AIFM PL I Sp. z o.o. (earlier: ACCOLADE PL IV Sp. z o.o.)

which, in accordance with point 13, oblige it to present to the landlord within 21 days from the day of its signing its unconditional, transferable and payable on first demand bank guarantee expressed in EUR. The guarantee is to be maintained for the entire rental period of the storage facilities.

Due to the conclusion of an agreement with AIFM PL III Sp. z o.o. (earlier: PDC Industrial Center 43 Sp. z o.o.) for the lease of storage space, on 26 October 2022 the bank guarantee issued by BNP Paribas was changed to EUR 321.2 thousand. The guarantee is valid until 14 October 2022.

Due to the conclusion of another agreement with AIFM PL I Sp. z o.o. for the lease of additional storage space, a bank guarantee was issued on 26 January 2022 by BNP Paribas Bank Polska S.A. to EUR 247.3 thousand. The guarantee is valid until 14 October 2022.

Moreover, in connection with the development of the Company's warehouse base, BNP Paribas Bank Polska S.A. also issued a bank guarantee for Castleport Investments sp. z o.o., ul. Towarowa 28, 00-839 Warsaw up to the amount of EUR 1,126 thousand. The guarantee is valid until 31 December 2022.

Rotopino.pl S.A. on 14 March 2022 signed an annex to the credit line agreement with BNP Paribas Bank Poland, increasing the amount of the limit to PLN 10,000 thousand for the period until 30 June 2031. As at the balance sheet date, Rotopino.pl S.A. had drawn on the credit line in the amount of PLN 9,112 thousand. The obligation under the line of credit to finance the company's current operations is secured by a blank promissory note.

On 14 April 2022, OPONEO.PL S.A. granted a surety under civil law to the amount of PLN 1,500 thousand as collateral for a credit limit of up to PLN 1,000 thousand in the current account, granted by BNP Paribas Polska S.A. to LAM S.A. The loan period was determined until 03 November 2032. As at 30 June, the drawdown of the credit line was at PLN 69.2 thousand.

Dadelo S.A. has a line of credit at BNP Paribas Bank Poland in the amount of PLN 5,000 thousand. As at 30 June 2022 the Company has not drawn on the credit line.

Moreover, neither OPONEO.PL S.A. nor its subsidiaries granted any credit or loan sureties or guarantees to a single entity or its subsidiary with a significant value for the operations of the OPONEO.PL Group.

### 2.6.2. Lease liabilities

In the reporting period, the Group continued eleven lease agreements with Millenium Leasing Sp. z o.o. in Warsaw, concerning forklift trucks used as warehouse equipment. In addition, from 01 January 2019, the Group presents warehouse rental liabilities as leases in accordance with IFRS 16 "Leases".

In H1 2022, the Company entered into new lease agreements for five-year periods for new warehouse equipment relating to twelve forklift trucks and a warehouse racking system.

On the basis of an agreement dated 14 October 2019 concluded with Castleport Investments sp. z o.o. in April 2022, Oponeo.pl S.A. took over the operation of the warehouse space for a period of 7 years. In accordance with IFRS 16 "Leases", the Company presents long-term leases as leases in its accounts.

Lease liabilities are presented in the Group's financial statements with a breakdown into short-term and long-term.

### 2.6.3. Receivables and off-balance sheet liabilities

OPONEO.PL S.A. has concluded contracts for the lease of warehouse space with the following companies:

- AIFM PL III Sp. z o.o. (earlier: PDC Industrial Center 43 Sp. z o.o.),
- AIFM PL I Sp. z o.o. (earlier: ACCOLADE PL IV Sp. z o.o.)

which, in accordance with point 13, oblige it to present to the landlord within 21 days from the day of its signing its unconditional, transferable and payable on first demand bank guarantee expressed in EUR. The guarantee is to be maintained for the entire rental period of the storage facilities.

Due to the conclusion of a further agreement with AIFM PL III Sp. z o.o. (earlier: PDC Industrial Center 43 Sp. z o.o.) for the lease of additional storage space, on 26 January 2022 the bank guarantee issued by BNP Paribas was changed to EUR 321.2 thousand. The guarantee is valid until 14 October 2022.

Due to the conclusion of a further agreement with AIFM PL I Sp. z o.o. for the lease of additional storage space, on 26 October 2022, the bank guarantee was issued by BNP Paribas Bank Polska S.A. to EUR 247.3 thousand. The guarantee is valid until 14 October 2022.

In connection with the development of the Group's storage base a bank guarantee up to the amount of EUR 1,126 thousand for Castleport Investments sp. z o.o., ul. Towarowa 28, 00-839 Warsaw, was also issued by BNP Paribas. The guarantee is valid until 31 December 2022.

Dadelo S.A. has a line of credit at BNP Paribas Bank Poland in the amount of PLN 5,000 thousand. As at 30 June 2022 the Company has not drawn on the credit line.

On 14 April 2022, OPONEO.PL S.A. granted a surety under civil law to the amount of PLN 1,500 thousand as collateral for a credit limit of up to PLN 1,000 thousand in the current account, granted by BNP Paribas Polska S.A. to LAM S.A. The loan period was determined until 03 November 2032. As at 30 June, the drawdown of the credit line was at PLN 69.2 thousand.

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Moreover, neither OPONEO.PL S.A. nor its subsidiaries granted any credit or loan sureties or guarantees to a single entity or its subsidiary with a significant value for the operations of the OPONEO.PL Group.

## 2.7. PROSPECTS OF THE OPONEO.PL GROUP

### 2.7.1. External factors affecting results

#### **GDP growth and inflation**

A direct factor shaping the economic environment in the coming months will be the high prices of energy carriers. With the prolonged conflict in Ukraine, high oil and gas prices can be expected to

continue due primarily to the sanctions imposed on Russia. Added to this is a major reduction in the production and export of agricultural products, of which Ukraine has previously been a major supplier to the European market. The rise in prices is fuelling inflation, which is currently at levels not seen in European countries for a more than a decade or even decades. High inflation significantly reduces the purchasing power of consumers' disposable income, while at the same time forcing them to change their purchasing decisions often due to limited budgets. The fight against inflation involves raising interest rates by the National Bank of Poland (NBP) and other central banks, which increases the cost of credit and puts additional strain on consumers' and companies' budgets.

The current inflation projection by the NBP assumes an inflation rate of 14.2% in 2022 (within a band of 13.2% to 15.4%) and 12.3% for 2023 (within a band of 9.8% to 15.1%). At the same time, the NBP estimates GDP for the current year at 4.7% and 1.4% for 2023. This means that inflation in the range of 15% will stay with us for longer, with a significant reduction in economic growth.

The latest forecast from S&P Global Ratings puts Poland's projected GDP growth in 2022 at 4.5% (an early forecast of 3.6%), while growth for 2023 is estimated at 2.1% (down from 3.1% projected in early April). At the same time, the Agency forecasts an inflation rate in Poland of around 12% for 2022 and 10% for 2023. It is not until 2024 that inflation is expected to decline significantly to 4.5%.<sup>23</sup> S&P points primarily to the ongoing disruptions in the manufacturing sector, which is closely linked to European supply chains disrupted by the conflict in Ukraine, as the main reasons for the deceleration of the Polish economy. Higher commodity prices and weaker demand from Europe are also limiting growth, with a direct impact on industrial production and exports. The agency also points to an anticipated reduction in public investment, influenced by the delayed payment of European funds, linked to the ongoing dispute with the EC over the Polish system of justice.

For the Union as a whole, the European Commission forecasts an inflation rate of 8.3% in 2022 (7.6% in the euro area) and 4.6% in 2023 (4.3% in the euro area). According to the EC's projections, the EU economy will grow at a rate of 2.7% in 2022 (2.6% in the euro area) and is forecast to reach 1.5% in 2023 (1.4% in the euro area).<sup>24</sup>

### **Development of e-commerce**

Analysts from Strategy& Poland forecast a steady growth of the e-commerce market in the coming years. They predict that by 2027, the value of the Polish online sales market will rise to PLN 187 billion. They indicate that in addition to the linear growth factor initiated a few years ago, the main drivers of market growth include:

- an increase in inflation, which will become an important driver of growth in 2022 and 2023, as a result of consumers seeking lower prices and shopping bargains;
- expansion of leading shopping platforms with aggressive pricing and greater price sensitivity of customers;
- the emergence of new technologies for building better customer shopping experiences in the online channel. In addition, the acceleration and automation of logistics processes, and the introduction of short-term financing for purchases;
- an increase in the proportion of Millennials and Generation Z among "digital" consumers, for whom online shopping is essentially the natural, fastest and preferred form of shopping.

<sup>23</sup> Source: S&P Global Ratings, [www.spglobal.com/ratings/en/research/articles/220628-economic-research-economic-outlook-emea-emerging-markets-q3-2022-slower-growth-ahead-amid-mounting-risks-12424725]

<sup>24</sup> Source: KE, [economy-finance.ec.europa.eu/economic-forecast-and-surveys/economic-forecasts/summer-2022-economic-forecast-russias-war-worsens-outlook\_en]



Since consumers are prioritising maximum convenience when shopping online, it will be important to develop new technologies to support the customer's purchase path at every stage of the process and to consciously manage their decision-making process. To ensure this, companies are developing new channels and points of contact between the customer and the retailer, through enhancements to mobile apps, direct-to-consumer models, platforms and loyalty programmes.

The business of OPONEO.PL Group is primarily related to the online sales market, which is why we follow new trends and adapt our processes to the expectations of our customers all the time. We are aware of the potential of the market, which is dynamically growing and maturing all the time.

### 2.7.2. Planned actions

In 2022, the OPONEO.PL Group plans to:

- strengthen its position as a leader of online tyre sales in Poland through further development of tyre sales;
- optimise sales in foreign markets;
- improve logistics processes and optimise warehousing, including the introduction of automated goods release processes;
- carry out actions for expanding the range of products offered online;
- increase the sale of bicycles and bicycle parts and accessories through its subsidiary DADELO S.A., including the implementation of an omnichannel strategy and the opening of brick and mortar stores functioning as showrooms in 2022;
- strengthen the position of the ROTOPINO.PL S.A. subsidiary on the market of online sellers of tools and power tools both in Poland and in the EU;
- increase online sales of metal products (ladders, shelving) through LAM S.A., which runs the edrabiny.pl online store in Poland, and the company's expansion into foreign markets.

### 3. ACTIVITIES OF THE OPONEO GROUP



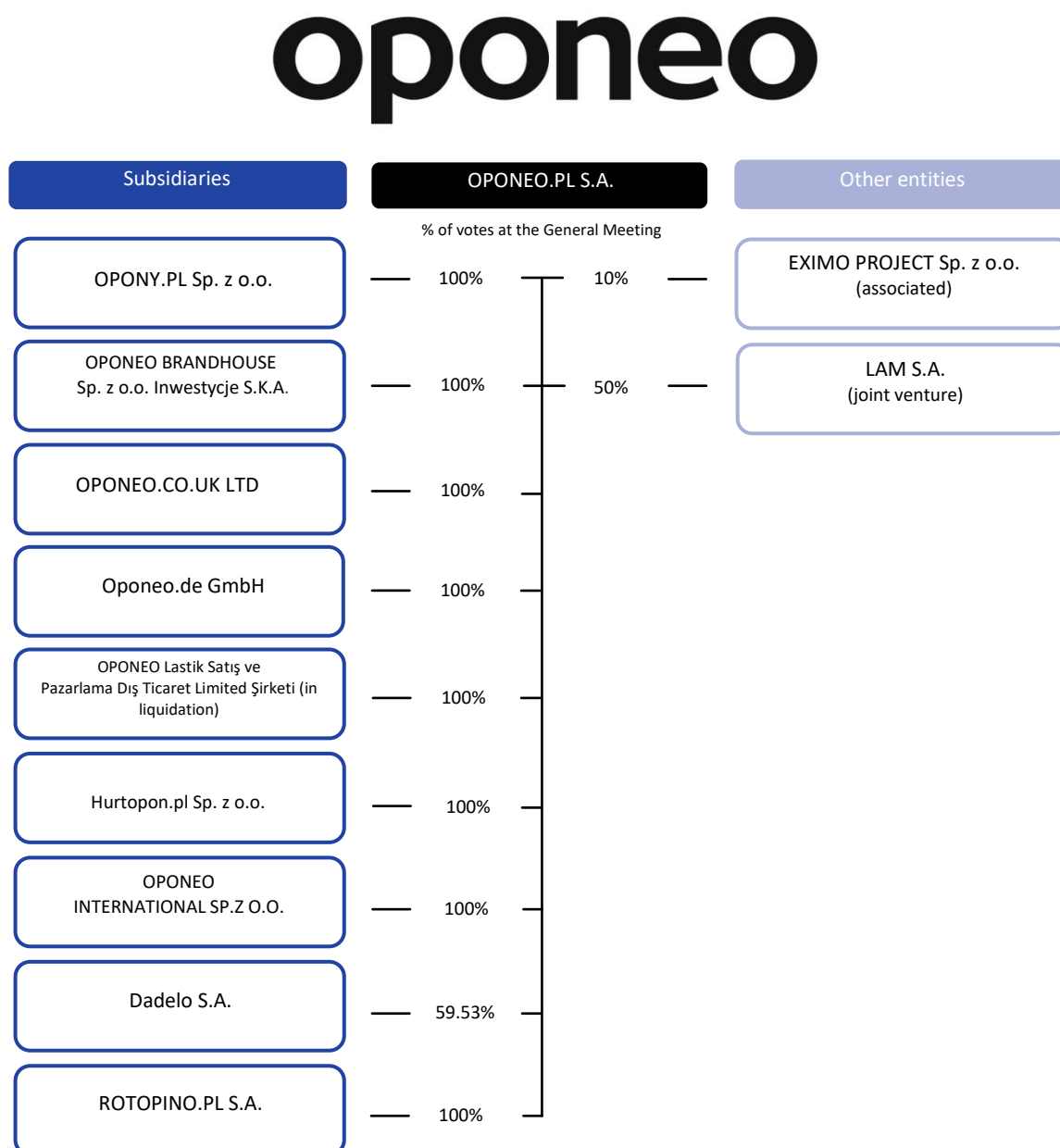
IN THE FIRST HALF OF 2022

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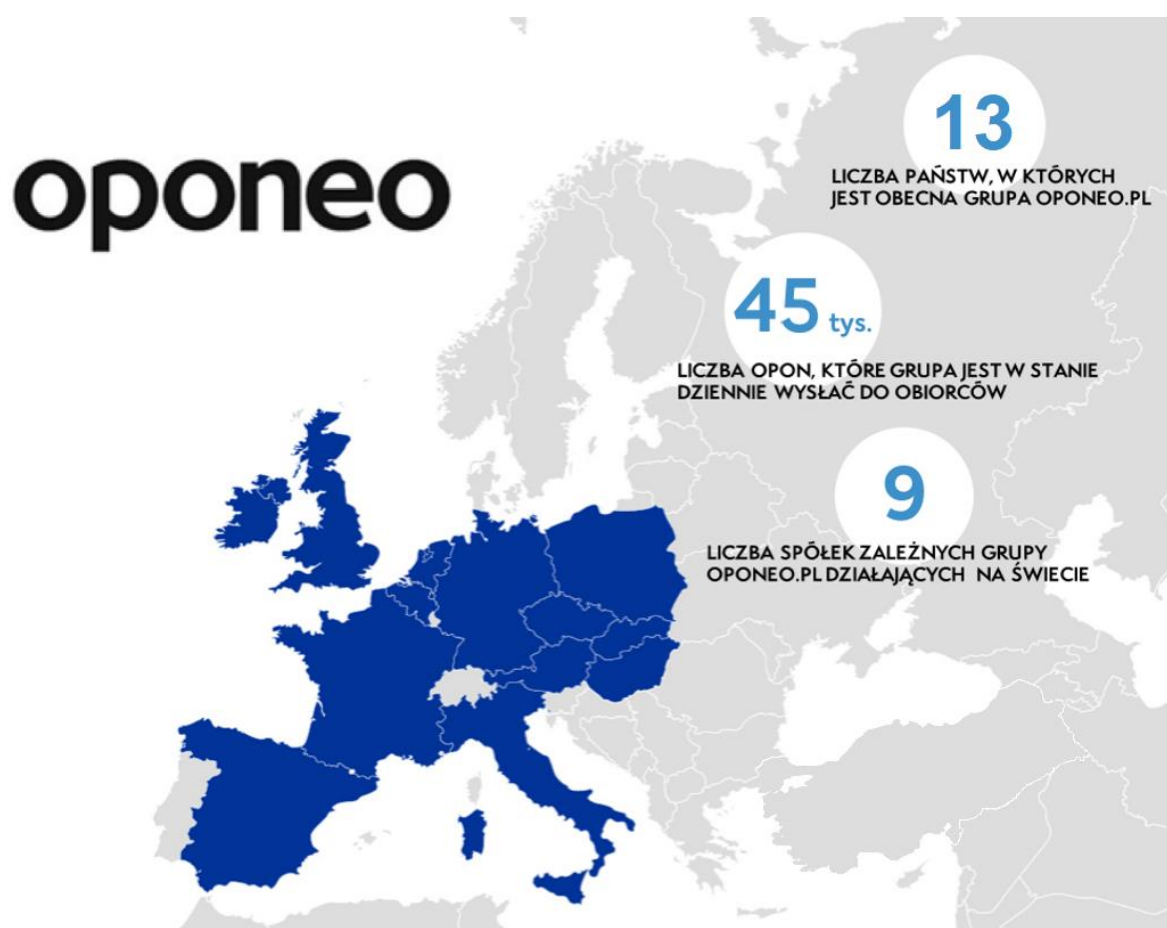
### 3. ACTIVITIES OF THE OPONEO.PL GROUP IN THE FIRST HALF OF 2022

#### 3.1. STRUCTURE OF THE OPONEO.PL GROUP

On 30 June 2022, the composition of the OPONEO.PL Group was as follows:



The OPONEO.PL Group consists of entities operating on the e-commerce market or in the sphere of its infrastructure. The Group currently operates in 13 markets in Europe. OPONEO.PL S.A. – as a parent company – exercises control functions in supervisory bodies of companies and makes key decisions on both the scope of activities and the finances of the entities forming the Group. Capital relations of OPONEO.PL S.A. with the companies strengthen trade ties. The Company's transactions with its subsidiaries are carried out on an arm's length basis. OPONEO.PL Group has 9 subsidiaries (including a Turkish company in liquidation).



LICZBA PAŃSTW, W KTÓRYCH JEST OBECNA GRUPA OPONEO.PL – NUMBER OF COUNTRIES WHERE THE OPONEO GROUP IS PRESENT

LICZBA OPON, KTÓRE GRUPA JEST W STANIE DZIENNIE WYŚLAĆ DO ODBIORCÓW – NUMBER OF TYRES THE GROUP CAN SEND TO CUSTOMERS IN A SINGLE DAY

LICZBA SPÓŁEK ZALEŻNYCH GRUPY OPONEO.PL DZIAŁAJĄCYCH NA ŚWIECIE – NUMBER OF SUBSIDIARIES OF THE OPONEO.PL GROUP THAT OPERATE GLOBALLY

#### **Changes in the OPONEO.PL Group:**

There were no changes in OPONEO.PL Group in H1 2022.

### **3.2. OPONEO.PL GROUP'S SALES STRUCTURE**

In H1 2022, the OPONEO.PL Group sold 1 652.4 thousand tyres, which is by 8.7% less than in the same period of the previous year. Whereas sales in Poland totalled 1,374 thousand (a decrease of 11%), sales abroad amounted to 278,3 thousand (an increase of 4,7%), of which 59.6% of tyres sold

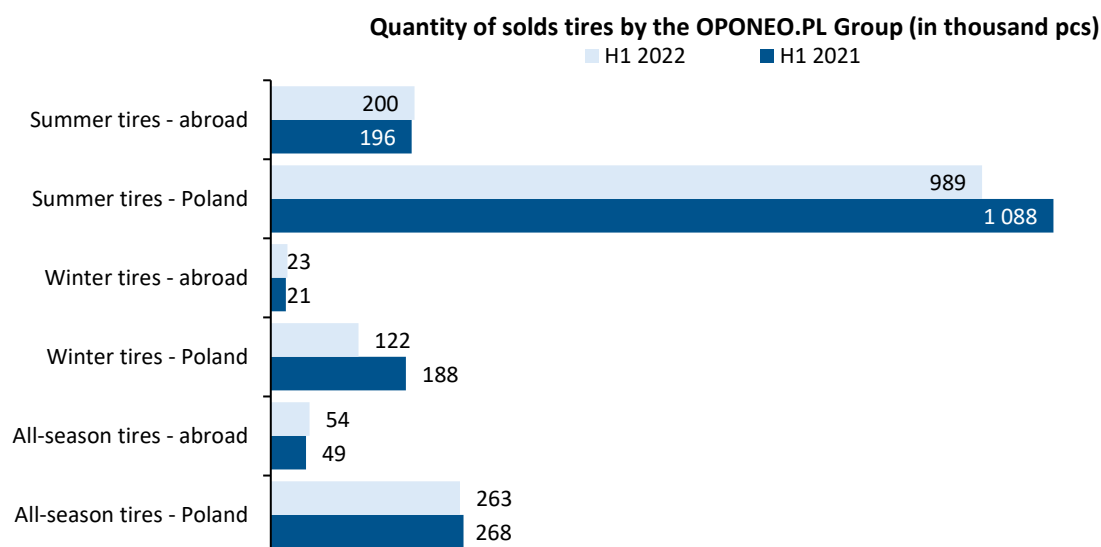
abroad were sold by e-stores directly belonging to OPONEO.PL S.A. and the remaining 40.4% by e-stores belonging to companies within the OPONEO.PL Group.

Number of tyres sold by the OPONEO.PL Group	1st half of 2021			H1 2022			Change y/y – total
	Country	Abroad	In total	Country	Abroad	Total	
Car tyres	1,528,374	255,382	1,783,756	1,358,995	266,633	1,625,628	-8.86%
Motorcycle tyres	15,182	10,493	25,675	15,041	11,662	26,703	4.00%
Truck tyres	31		31	2		31	0.00%
<b>Total</b>	<b>1,543,587</b>	<b>265,875</b>	<b>1,809,462</b>	<b>1,374,038</b>	<b>278,295</b>	<b>1,652,362</b>	<b>-8.68%</b>

The number of tyres sold by the Company in the first half of 2022 was 1,540 thousand, representing 93.2% of all tyres sold by the Group.

Number of tyres sold by OPONEO.PL S.A.	1st half of 2021			H1 2022			Change y/y – total
	Country	Abroad	In total	Country	Abroad	Total	
Car tyres	1,528,374	140,683	1,669,057	1,358,995	157,369	1,516,364	-9.15%
Motorcycle tyres	15,182	7,580	22,762	15,041	8,539	23,580	3.59%
Truck tyres	31		31	2		2	-93.55%
<b>Total</b>	<b>1,543,587</b>	<b>148,263</b>	<b>1,691,850</b>	<b>1,374,038</b>	<b>165,908</b>	<b>1,539,946</b>	<b>-8.98%</b>

Summer tyres had the highest share in sales structure. In the country and abroad their sales amounted to 1,189 thousand pieces (7.4% decrease in relation to the corresponding period of the previous year). A total of 145 thousand winter tyres were sold in all markets, 30.6% less than in H1 2021. Sales of tyres for passenger cars on the Polish market were at a similar level as in the first half of 2021.





In H1 2022, the OPONEO.PL Group sold 77.2 thousand wheels (both aluminium and steel), i.e. less than in the first half of 2021 by 7.1%.

The number of wheels sold by the OPONEO.PL Group	1st half of 2021			H1 2022			Change y/y – total
	Country	Abroad	In total	Country	Abroad	In total	
aluminium wheels	52,688	9,721	62,409	49,011	12,103	61,114	-2.08%
steel wheels	15,629	5,044	20,673	10,361	5,688	16,049	-22.37%
<b>Total</b>	<b>68,317</b>	<b>14,765</b>	<b>83,082</b>	<b>59,372</b>	<b>17,791</b>	<b>77,163</b>	<b>-7.12%</b>

### 3.3. BUSINESS ACTIVITIES OF THE OPONEO.PL GROUP'S COMPANIES

#### 3.3.1. OPONEO.PL S.A.

##### Core business

The core business of OPONEO.PL S.A. is retailing tyres and wheels via the Internet, using proprietary e-commerce and IT solutions. The company offers tyres for passenger cars, vans and SUVs (4x4), as well as steel and aluminum wheels, chains and other automotive goods. The offer includes over 5,1 thousand tyre models belonging to the premium, medium and budget segments. In order to provide appropriate adaptation to weather conditions, the Company offers year-round, winter and summer tyres. These tyres are no older than 18 months from the date of manufacture. It means that the OPONEO.PL S.A. applies standards that are twice as restrictive as of the Polish PN-C94300-7 standard. The OPONEO.PL S.A. is a leader in the introduction of a service on the Polish market that connects the delivery of tyres with their assembly service. Currently, this service is offered at nearly 1,2 thousand service points in Poland.

As at the date of publication of the annual report, the Company carries out retail sales of tyres and wheels in Poland and 8 foreign countries.

In the first half of 2022, the following domains were directly owned by the Company:

- Oponeo.pl – online store for tyres and wheels in Poland;
- Felgi.pl – online store specialising in the sale of aluminium wheels; the website also features a unique possibility of virtual fitting of wheels;
- Oponeo.cz – online shop in the Czech Republic;
- Oponeo.sk – online store in Slovakia;
- Pneus-oponeo.be – online store in French language, dedicated to sales of tyres and wheels in Belgium;
- Pneus-oponeo.be – online store in Flemish language, dedicated to sales of tyres and wheels in Belgium;
- Oponeo.es – online store for the Iberian Peninsula;
- Oponeo.nl – online store for customers from the Netherlands;
- Oponeo.at – online store for customers from Austria;
- Oponeo.ie – online store for customers from Ireland;
- Oponeo.hu – online store for customers from Hungary.

In May 2022, a state-of-the-art warehouse located in Zelgoszcz, near Łódź, with an area of more than 72,000 m<sup>2</sup> was opened. This is the Group's main logistics centre, which will ultimately handle all

customer orders. Orders for more than 45,000 tyres per day can be processed there. Internet sales are realized by means of IT solutions, developed independently by the IT Department.

As at 30 June 2022, the Company employed 404 people compared to 417 at the end of June 2021.

### 3.3.2 Business activities of other companies

#### **Opony.pl Sp. z o.o.**

The core business of Opony.pl Sp. z o.o., based in Bydgoszcz, is wholesale of parts and accessories for motor vehicles. The Company owns the Opony.pl online shop.

As at 30 June 2022, the share capital of Opony.pl Sp. z o.o. was PLN 1,225 thousand and had not changed in the course of the first half of 2022.

In the first half of 2022, the Management Board of Opony.pl Sp. z o.o. consisted of one person. The position of President of the Management Board at the end of the first half of 2022 was held by Krzysztof Huss.

#### **OPONEO BRANDHOUSE Sp. z o.o. Inwestycje S.K.A.**

The core business of OPONEO BRANDHOUSE Sp. z o.o. Inwestycje Spółki Komandytowo-Akcyjnej with its registered office in Bydgoszcz was the management of shares in Rotopino.pl S.A.

On 30 June 2022, the share capital of OPONEO BRANDHOUSE Sp. z o.o. amounted to PLN 100 thousand. The general partner of the Company is OPONEO.PL S.A.

In current report No. 34/2022 of 30 May 2022, the Management Board of OPONEO.PL S.A. announced that on 30 May 2022 it decided to merge the Company, as the acquiring company, with its subsidiary Oponeo Brandhouse spółka z ograniczoną odpowiedzialnością Inwestycje spółka komandytowo-akcyjna.

#### **HURTOPON.PL Sp. z o.o.**

HURTOPON.PL Sp. z o.o. with its registered office in Bydgoszcz was established in 2005. The Company's main objective is to provide companies in the tyre, automotive and transportation industries with an online trading platform. On this platform wholesalers can place offers for sale and purchase of tyres and wheels.

HURTOPON.PL Sp. z o.o. does not offer any products on its own and is not a contractual party in agreements between users and suppliers.

On 30 June 2022, the share capital of HURTOPON.PL Sp. z o.o. amounted to PLN 360 thousand and did not change in comparison to the amount at the end of 2021.

In the first half of 2022, the function of the President of HURTOPON.PL Sp. z o.o. was performed by Krzysztof Huss. The Management Board of the Company consisted of one person.

#### **OPONEO.CO.UK LTD**

The core business of OPONEO.CO.UK LTD based in London is marketing, online sales, wholesale and retail of automotive products, tyres and car parts. The company operates in the UK via the Oponeo.co.uk platform. In the first half of 2022, the Board of OPONEO.CO.UK LTD consisted of:

- Dariusz Topolewski – President of the Management Board,
- Ernest Pujso – Member of the Management Board,
- Seweryn Rutkowski – Member of the Management Board.

On 30 June 2022, the share capital of OPONEO.CO.UK LTD was GBP 100.

### **Oponeo.de. GmbH**

Oponeo.de GmbH, based in Berlin, sells tyres and wheels as well as equipment and spare parts for cars and motorcycles online. The Company operates in Germany via the Oponeo.de platform.

As at 30 June 2022, the Company's share capital was EUR 25 thousand.

In the first half of 2022, Krzysztof Huss held the position of the President of the one-person Management Board.

### **OPONEO Lastik Satış ve Pazarlama Dış Ticaret Limited Şirketi**

OPONEO Lastik Satış ve Pazarlama Dış Ticaret Limited Şirketi with its registered office in Istanbul - the company is in the process of liquidation.

### **Oponeo International Sp. z o.o.**

The core business of Oponeo International Sp. z o.o. is the sale of tyres and wheels on foreign markets (currently in France and Italy).

As at 30 June 2022, the Company's share capital was PLN 150 thousand.

The Management Board consisted of one person only. Krzysztof Huss served as President of the Management Board.

### **Dadelo S.A.**

The core business of Dadelo S.A. is retail sales of bicycles and bicycle accessories via the Internet. Dadelo S.A. is the largest online store in Poland which offers bicycle parts. The Company is the owner of online shops offering bicycle parts and bicycles – CentrumRowerowe.pl and Dadelo.pl. Additionally, the e-shop assortment includes also: clothing and shoes for fans of cycling, electronic equipment (such as: cyclometers, heart rate monitors, watches, GPS navigations) as well as supplements and beauty products. Except for the bicycles, the shop offers a new way of delivery consisting in collection of a bicycle in an assembly shop.

On 30 June 2022, the share capital of Dadelo S.A. amounted to PLN 2,307.2 thousand, and 59.53% of shares belonged to OPONEO.PL S.A.

The composition of the Board of Directors of Dadelo S.A. in the first half of 2022 was as follows:

- Ryszard Zawieruszyński – President of the Management Board,
- Wojciech Topolewski – Member of the Management Board,
- Jacek Zieziulewicz - Member of the Management Board.

### **Rotopino.pl S.A.**

Rotopino.pl S.A. with the registered office in Bydgoszcz is a company operating on the domestic and foreign markets, and its core business is online sales of tools and power tools. The company owns over a dozen online shops, including narzedzia.pl and rotopino.pl. The dynamic growth of the company over recent years has enabled it to take a leading position on the domestic market. During the first half of 2022, the Company's Management Board was as follows:

- Paweł Sznajder – President of the Management Board
- Agnieszka Kozieł - Member of the Management Board,
- Anna Muller - Member of the Management Board.

### 3.4. THE BASIC TYPES OF BUSINESS RISK

#### 3.4.1. Financial risk

Elements that affect the OPONEO Group's operations:

- Currency risk

The Group conducts trade activities outside of Poland, mainly within the European Union, and therefore fluctuations in exchange rates affect its results. The Group strives to balance revenues and expenses incurred in a given currency and concludes forward hedging transactions in respect of payments and receivables in foreign currency. Approximately one month before the start of the current sales season, OPONEO.PL estimates the amount of foreign exchange purchases. This is the moment when national companies announce their price lists and terms of purchase. These elements are the reference points for deciding on the volume of purchases in a foreign currency. In order to calculate the purchase price in PLN, the exchange rates applicable at the time of estimation of purchases are taken into account. As regards handling and securing foreign exchange transactions, the Parent Entity cooperates with BNP Paribas Bank Polska S.A.

- Interest rate risk

Companies in the OPONEO.PL Group use variable rate credit lines, and therefore increases in official interest rates may pose a risk of increased financing costs for the Group. The Group applies hedging instruments for interest rate risk in cooperation with BNP Paribas Bank Polska SA.

- Credit risk

The risk may be due to the economic downturn which will worsen the payment situation of counterparties. The risk is negligible, however, as payment for goods is largely made by collection on delivery, through fast electronic payments or card payments. In the case where the Company grants the buyers' credit to customers, they are verified. In addition, trade receivables are insured at BRU KUKA SA.

- Liquidity risk

The OPONEO.PL Group constantly monitors the chargeability of receivables and liabilities. OPONEO.PL aims to maintain financial balance also through the use of various sources of financing (bank credit, buyers' credits). A threat to the Group may be the tightening of lending policy or limiting of the possibility to obtain external financing.

#### 3.4.2. Risk associated with the macroeconomic situation

The financial situation of the OPONEO.PL Group depends both on the economic situation of Poland and global economic situation, and in particular on:

- the pace of economic growth and the share of consumption in creating GDP growth - the increase in the wealth level of society and the climate conducive to making purchasing decisions translate into an increase in demand for means of transport and their equipment. The recession can lead to:
  - the limitation of demand for tyres and other car accessories, as well as a decrease in their prices and dealer margins; at the same time, a low number of new registrations may have a positive impact on the mid-term tyre demand associated with replacing old tyres with new tyres;
  - the reduction of individual modes of transport due to lack of funds for their maintenance; this will reduce tyre wear and thus reduce the need for replacement;

- monetary policy, including the level of interest rates, which together with the banks' lending policy determine the level of purchases for credit;
- situation on currency markets and situation of the zloty [PLN], influencing the rise in prices of imported goods, may translate into a drop in demand for imported cars and accessories. Depreciation of the local currencies in relation to euro, for which the OPONEO.PL Group purchases the products it sells, has a negative impact on the competitive position of the Group on local markets;
- higher prices of raw materials, especially crude oil and rubber, which will lead to higher tyre prices;
- overproduction of tyres, which may result in a decrease in their prices;
- increasing competition in the market - low entry barriers for online shops, may cause an increase in competitive pressure and decrease margins.

#### 3.4.3. Risk associated with the strategy

Strategy risk is connected with financial consequences which may be caused by wrong decisions concerning the long-term plans of the Group, resulting from inappropriate assessment of factors influencing the company's development; these are in particular:

- the pace of e-commerce development - higher than the Group's long-term plans pace of market development may result in unsuitable sales processes, and the Group may lose its leading position on the market.
- technological developments - i.e. new tyre production technologies, the use of drones in delivery of consignments, etc.;
- future customer preferences, regarding the use of the latest technology (mobile sales, abandonment of private cars for public transport or growing transport of road trailers by rail in order to protect the environment).

#### 3.4.4. Operational risk

While conducting business in the e-commerce area, the OPONEO.PL Group is exposed to the following risks:

- IT risk, i.e. problems related to:
  - ensuring the continuous operation of applications - possible problems with the proper functioning of IT systems could mean reducing the volume or even making sales impossible. In order to prevent occurrence of such a situation, the Group uses high quality hardware with low failure rate and secures itself by a full multiplication of hardware and software;
  - potential system intrusions - connecting IT systems to the Internet poses a risk of being exposed to computer crimes committed via the network, such as hacking into a computer system and destroying it or damaging or denial of service. The Group does not underestimate this risk by maintaining a team of people responsible for the security of the portal and by applying appropriate security and safety procedures.
- the risk of problems related to logistics, guaranteeing the availability of goods in the warehouse, proper complementation and packing of goods, as well as cooperation with couriers.
- risk associated with an excessive stockpiling - it is the risk of improper assessment, such as weather - large tyre stocks generate additional costs and cause their ageing.

- the risk related to concentration of commodity in one place - any accidental events (fire, flood, etc.) would result in serious disruptions of supply continuity to the recipients. In order to minimize the possible negative effects of this risk factor, a system was implemented to allow systematic backups of all information and possible immediate recovery of an IT network based on an emergency system. There are also insurance contracts that cover any possible losses.
- the risk of outflow of skilled workers - lack of qualified personnel may lead to an increase in errors in order processing.

#### 3.4.5. Legal risk

The activities of the OPONEO.PL Group depend primarily on legal changes in the following areas:

- the tax system - an increase in fiscal burdens can lead to a lower profitability of this activity;
- labour and social security laws that can translate into increased employment costs;
- regulations concerning entities operating in the telecommunications market;
- changes in regulations concerning environmental protection, such as implementing a green tax.

There is also a risk of differences in interpretation of tax laws. The activities of the OPONEO.PL Group and its tax treatment in declarations and tax returns may be considered by the tax authorities to be incompatible. If the tax authorities interpret tax regulations differently than those used to calculate the tax liability made by the Group, such a situation could have a material impact on its business.

#### 3.4.6. Geopolitical risks

The OPONEO.PL Group does not operate on the Russian market and has no operations located in Ukraine. Nevertheless, the consequences of the ongoing armed conflict could be serious for national, European and global economies. Given that both Ukraine and Russia play a key role in the energy supply chain, considerable turbulence can be expected in the market. The current record oil and gas prices will undoubtedly translate into higher prices of production, transport and services. This will in the near future increase the dynamics of inflation and cause a decrease in the purchasing power of consumers. The National Bank of Poland, in an attempt to curb rising inflation, has been raising interest rates, which affects the availability of credit and significantly increases borrowing costs. At present, exchange rates are also trading at very high levels.

### 3.5. SEASONALITY OF THE ACTIVITIES

The main source of income for the OPONEO.PL Group is sales of tyres which is characterised by significant cyclical fluctuations. The observed cyclical fluctuations occur twice during the calendar year. This is connected with the seasonal change of tyres which depends closely on meteorological conditions which influence the conditions of driving by means of motor vehicles. The first peak is at the turn of winter and spring when the drivers change winter tyres to summer tyres. The second peak is at the turn of autumn and winter, when the drivers decide to change summer tyres to winter tyres. It should be noted that the actual weather conditions may differ from the conditions typical for particular seasons. This in turn translates to changes in the variable levels of sales in the particular periods. There is a noticeable upward trend in the purchase of all-season tyres. The sale of wheels is evenly distributed throughout the year.

### 3.6. EMPLOYMENT

As at 30 June 2022, the OPONEO.PL Group employed a total of 551 employees compared to 531 at the end of June 2021, an increase in of 3,8%.



Employment in the OPONEO.PL Group	30 June 2021	31 December 2021	30 June 2022
Sales Department	258	237	247
IT	77	81	83
Warehouse	112	110	106
Other departments	84	113	115
<b>Total</b>	<b>531</b>	<b>541</b>	<b>551</b>

### 3.7. OTHER INFORMATION

#### 3.7.1. Disputes

In the period covered by this report, the OPONEO.PL Group did not make any significant settlements in court proceedings.

During the first half of 2022, as well as until the date of submission of this periodic report, no significant proceedings concerning liabilities or receivables of the Company or its subsidiaries in the OPONEO.PL Group were pending or have been pending before court, arbitration authority or public administration authority.

#### 3.7.2. Transactions with related entities

During the period covered by this report, there was not even one significant transaction, between the OPONEO.PL Group and related parties, that was signed on terms other than market conditions.

In the report of the OPONEO.PL Group for the period from 1 January to 30 June 2022, related party transactions covered by full consolidation were eliminated.

The consolidated financial statements included the net values of the transactions that took place in the first half of 2022.

### 3.8. BOARD'S POSITIONS

#### 3.8.1. Position on compliance with the forecasts

The Management Board of OPONEO.PL S.A. did not publish any forecasts in the first half of 2022.

## 4. CORPORATE GOVERNANCE – SELECTED ISSUES



## 4. CORPORATE GOVERNANCE – SELECTED ISSUES

### 4.1. SHARES AND SHAREHOLDER STRUCTURE

#### 4.1.1. Shareholder structure

As at 30 June 2022, the Company's share capital amounted to PLN 13,936 thousand and included: 8,676,000 ordinary bearer shares of A series of nominal value PLN 1.00 each, 4,000,000 ordinary bearer shares of B series of nominal value PLN 1.00 each and 1,260,000 ordinary bearer shares of C series of nominal value PLN 1.00 each.

In the first half of 2022, the value of the Company's share capital did not change.

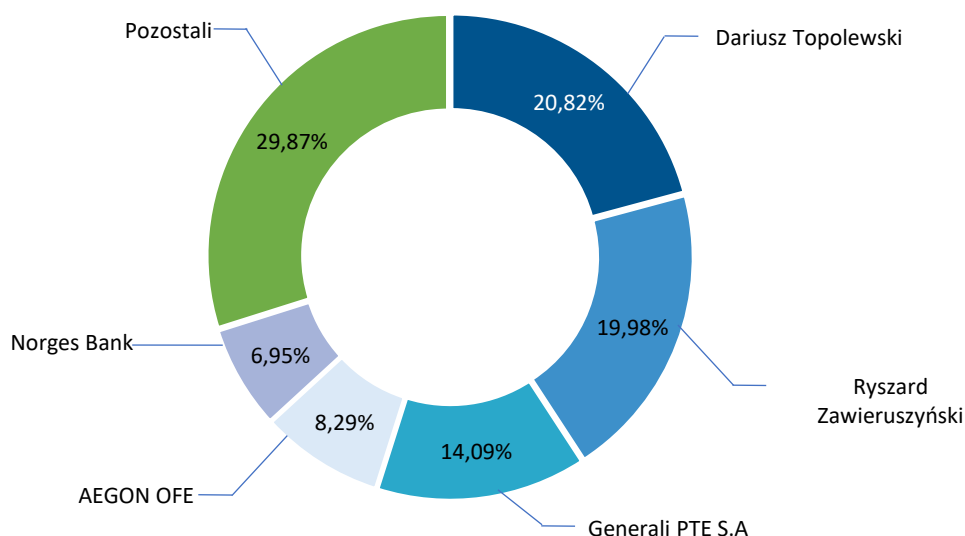
OPONEO.PL S.A.'s shares are ordinary bearer shares. There are no special control rights attached to the Company's shares. The Company's Statute does not impose any restrictions on the transfer of ownership of shares issued by the Company or exercise of voting rights, and also does not include any provisions under which the equity rights attached to securities are separated from the possession of securities.

The list of shareholders holding, directly or indirectly through subsidiaries, at least 5% of the total number of votes at the General Meeting of OPONEO.PL S.A., according to the information transferred within the scope of notification about acquisition/disposal significant block of shares, was as follows:

Shareholder	18 August 2022		30 June 2022		24 May 2022	
	Number of shares	Share in the share capital and in the number of votes at the general meeting in %	Number of shares	Share in the share capital and in the number of votes at the general meeting in %	Number of shares	Share in the share capital and in the number of votes at the general meeting in %
Dariusz Topolewski	2,901,592	20.82	2,901,592	20.82	2,901,592	20.82
Ryszard Zawieruszyński	2,784,654	19.98	2,784,654	19.98	2,784,654	19.98
Generali PTE S.A.	1,963,005	14.09	1,963,005	14.09	1,963,005	14.09
AEGON OFE	1,155,000	8.29	1,155,000	8.29	1,155,000	8.29
Norges Bank	968,838	6.95	968,838	6.95	968,838	6.95
Other	4,162,911	29.87	4,162,911	29.87	4,162,911	29.87
<b>Total</b>	<b>13,936,000</b>	<b>100.00</b>	<b>13,936,000</b>	<b>100.00</b>	<b>13,936,000</b>	<b>100.00</b>

As at the date of publication of the report, the Company did not have information on contracts, which could result in future changes in the proportions of shares held by the existing shareholders.

Shareholding structure of OPONEO.PL S.A. as at 18.08.2022\*



\*The date of publication of these Statements

#### 4.1.2. Information on possession of shares by management and supervisory bodies

The possession of shares of OPONEO.PL S.A. by members of the Supervisory Board and members of the Management Board

Shareholder	18 August 2022		30 June 2022		24 May 2022	
	Number of shares	Nominal value	Number of shares	Nominal value	Number of shares	Nominal value
Dariusz Topolewski	2,901,592	20.82	2,901,592	20.82	2,901,592	20.82
Wojciech Topolewski	59,780	0.43	59,780	0.43	59,780	0.43
Michał Butkiewicz	17,093	0.12	17,093	0.12	17,093	0.12

#### 4.1.3. Share buyback

During the reporting period, the share buy-back programme started on 12 November 2022 was implemented in accordance with the Regulations of the share buy-back programme of OPONEO.PL S.A. adopted on 10 November 2021, published in current report No. 33/2021.

As at 30 June 2022, the Company held a total of 153,775 treasury shares representing 1.1% of the Company's share capital and entitling the holder to exercise 153,775 votes at the Company's General Meeting, representing 1.1% of the total number of votes at the Company's General Meeting.

As of the publication date of the report, OPONEO.PL S.A. holds a total of 166,389 own shares representing 1.194% of the Company's share capital and entitling to 166,389 votes at the Company's

General Meeting, which represents 1.194% of the total number of votes at the Company's General Meeting.

The treasury shares acquired by the Company may be used for resale or to reduce the share capital through share redemption.

#### 4.1.4. Share price performance

During the first half of 2022, the share price of the OPONEO.PL S.A. upon the closing of the WSE session ranged from PLN 63.80 (recorded on 03 January) to PLN 42.00 (session on 22 June). On the last session day in the first half of 2022, i.e. 30 June 2022, the share price of OPONEO.PL S.A. amounted to PLN 44.20. The average daily trading volume of OPONEO.PL S.A. shares on the WSE amounted to 5702 shares.

As at 30 June 2022, the market value of OPONEO.PL S.A. was at the level of PLN 615,971 thousand, while the Company's book value was PLN 233,725 thousand.

Since the trading session on 19 March 2016 the shares of OPONEO.PL S.A. are included in the sWIG 80 Index, and since 16 December 2016 in the WIGdiv index.

#### 4.1.5. Dividend

On 14 April 2022, the Management Board of OPONEO.PL S.A. passed a resolution on adopting the Company's dividend policy for the years 2022-2026. In accordance with the adopted dividend policy, the Management Board of OPONEO.PL S.A. will recommend to the General Meeting of the Company the payment of dividends in the amount ranging from 10% to 35% of the generated net profit for a given financial year. When recommending the distribution of the Company's net profit, the Management Board of OPONEO.PL S.A. will take into account the current and projected market situation, the financial and liquidity standing of the Company and the Capital Group, as well as the development prospects and the related investment needs.

On 11 May 2022, the Ordinary General Meeting, by virtue of resolution No 8 concerning the distribution of profit for the financial year from 1 January 2021 to 31 December 2021, decided to allocate PLN 1.36 per share for the payment of dividend.

The dividend day was set at 18 May 2022, and the dividend payout was scheduled for 26 May 2022. The dividend was paid to the shareholders.

Dividend	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net profit of OPONEO.PL S.A. (in PLN thous.)	1,308.7	2,735.5	3,605.3	9,801.0	15,889	16,712	16,832	17,006	25,361	58,928
Dividend from the profit of the given year (in PLN thous.)	418.1	383.9	638.1	1,276.3	2,787.2	4,877.6	5,574.4	1,393.6	13,936.0	18,772.8
Dividend per share (in PLN)	0.03	0.03*	0.05*	0.10*	0.2	0.35	0.4	0.1	1	1.36
Date of setting the right to dividend	2013-07-15	2014-07-03	2015-07-03	2016-07-11	2017-07-03	2018-07-03	2019-07-03	2020-07-15	2021-07-14	2022-05-18

\* Own shares were deducted from the total number of shares, which were not bought back by the dividend date.

## 4.2. STATUTORY AUTHORITIES

### 4.2.1. Supervisory Board

In the first half of 2022, the Supervisory Board was composed of the following members:

- Monika Siarkowska – Chairman of the Supervisory Board,
- Krzysztof Barczewski – Member of the Supervisory Board,
- Krzysztof Bednarek – Member of the Supervisory Board,
- Lucjan Ciaciuch – Member of the Supervisory Board,
- Michał Kobus – Member of the Supervisory Board,

On 11 May 2022, due to the expiry of the 5-year term of office of the Supervisory Board, Mr Krzysztof Bednarek was appointed as a new Member of the Supervisory Board for another term of office in accordance with Resolution No. 25 of the Ordinary General Meeting of Shareholders of OPONEO.PL S.A. Mr Krzysztof Bednarek replaced Mr Wojciech Małachowski on the Supervisory Board. The other persons were reappointed as members of the Supervisory Board for a new 5-year term.

#### 4.2.2. Management Board

In the first half of 2022, the Management Board of OPONEO.PL S.A worked in the following composition:

- Dariusz Topolewski – President of the Management Board,
- Michał Butkiewicz – Member of the Management Board,
- Maciej Karpusiewicz – Member of the Management Board,
- Ernest Pujso – Member of the Management Board,
- Wojciech Topolewski – Member of the Management Board.

Within the accounting period and until publication of this report the composition of the Management Board did not change.

#### 4.2.3. Remuneration of statutory authorities

Information on paid or payable remunerations of managers and supervisors of OPONEO.PL S.A., has been disclosed in the consolidated financial statements of the of the OPONEO.PL Group for H1 2022, in section 5.6 of the statements.

### 4.3. ENTITY AUTHORISED TO AUDIT FINANCIAL STATEMENTS

On 15 June 2022, the Supervisory Board of OPONEO.PL S.A. chose HLB M2 AUDIT PIE Spółka z ograniczoną odpowiedzialnością Audit PIE Sp. z o.o (hereinafter referred to as: HLB M2) to conduct:

1. A review of interim individual and consolidated financial statements prepared according to IFRS/IAS for the period 01.01.2022 – 30.06.2022.
2. An audit of interim individual and consolidated financial statements prepared according to IFRS/IAS for the period 01.01.2022 – 31.12.2022.
3. A review of interim individual and consolidated financial statements prepared according to IFRS/IAS for the period 01.01.2023 – 30.06.2023.
4. An audit of interim individual and consolidated financial statements prepared according to IFRS/IAS for the period 01.01.2023 – 31.12.2023.

HLB M2 with its registered office in Warsaw, is entered in the list of entities authorised to audit financial statements under the registration number 4123.

OPONEO.PL S.A has already used the services provided by HLB M2.



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## **APPROVAL FOR PUBLICATION**

The Management Board's Report on operations was approved for publication by the Management Board of OPONEO.PL S.A. on 18 August 2022.

**Signatures of persons representing the Company:**

**Dariusz Topolewski**

President of the Management Board

**Michał Butkiewicz**

Member of the Management Board

**Maciej Karpusiewicz**

Member of the Management Board

**Ernest Pujso**

Member of the Management Board

**Wojciech Topolewski**

Member of the Management Board

**Bydgoszcz, 18 August 2022**

**oporneo**