



Consolidated interim report of Toya Capital Group
for the period from 1 January 2024 to 31 March 2024

SELECTED FINANCIAL DATA

Selected financial data relating to the condensed interim consolidated financial statements of TOYA S.A. Capital Group in Wrocław

	PLN thousand		EUR thousand	
	1st quarter cumulatively / period from 1.01.2024 to 31.03.2024	1st quarter cumulatively / period from 1.01.2023 to 31.03.2023	1st quarter cumulatively / period from 1.01.2024 to 31.03.2024	1st quarter cumulatively / period from 1.01.2023 to 31.03.2023
I. Revenue from sales of goods	195,647	175,028	45,277	37,236
II. Operating profit	20,535	19,045	4,752	4,052
III. Profit before tax	20,436	17,325	4,729	3,686
IV. Net profit	16,262	13,587	3,763	2,891
V. Total comprehensive income	15,680	11,602	3,629	2,468
VI. Weighted average number of shares ('000)	75,042	75,042	75,042	75,042
VII. Net profit per ordinary share attributable to shareholders of the Parent Company (in PLN/EUR)	0.22	0.18	0.05	0.04
VIII. Net cash from operating activities	24,990	29,227	5,783	6,218
IX. Net cash from investing activities	(2,521)	(3,858)	(583)	(821)
X. Net cash from financing activities	(2,583)	(29,245)	(598)	(6,222)
XI. Total net cash	19,886	(3,876)	4,602	(825)
	As at	As at	As at	As at
	31 March 2024	31 December 2023	31 March 2024	31 December 2023

XII. Non-current assets	107,390	107,946	24,969	24,826
XIII. Current assets	473,259	445,482	110,037	102,457
XIV. Total assets	580,649	553,428	135,006	127,283
XV. Non-current liabilities	24,663	26,594	5,734	6,116
XVI. Current liabilities	120,355	106,883	27,984	24,582
XVII. Total equity	435,631	419,951	101,288	96,585

The following currency rates were applied in the translation of the selected financial data into EUR:

- for the translation of comprehensive income and cash flows for the period from 1 January 2024 to 31 March 2024. the rate of **4.3211 PLN / EUR (*)**;
- for the translation of comprehensive income and cash flows for the period from 1 January 2023 to 31 March 2023. the rate of **4.7005 PLN / EUR (*)**;
- for the translation of assets, liabilities and equity at 31 March 2024 the rate of **4.3009 PLN / EUR**;
- for the translation of assets, liabilities and equity at 31 December 2023 the rate of **4.3480 PLN / EUR**.

(*) The rates represent the arithmetic mean of current average Exchange rates announced by the NBP on the last day of each month during the periods from January to March of respectively: 2024 and 2023.



CONTENT

PART A – CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF TOYA S.A. CAPITAL GROUP.....	4
PART B - OTHER INFORMATION TO CONSOLIDATED QUARTERLY REPORT.....	24
PART C - CONDENSED INTERIM STAND-ALONE FINANCIAL STATEMENTS OF TOYA S.A.	30



PART A – CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF TOYA S.A. CAPITAL GROUP

Consolidated statement of financial position

		31 March 2024 unaudited	31 December 2023
ASSETS	Note		
Property, plant and equipment	5	64,277	63,750
Intangible assets		4,571	4,348
Right-of-use assets	6	32,334	34,524
Goodwill	7	722	723
Other receivables		48	48
Deferred income tax assets	16	5,438	4,553
Non-current assets		107,390	107,946
Inventory	8, 16	270,410	287,280
Trade and other receivables	9, 16	113,089	88,061
Income tax receivables		-	214
Cash and cash equivalents	10	89,760	69,927
Current assets		473,259	445,482
Total assets		580,649	553,428
EQUITY AND LIABILITIES			
Share capital	12	7,504	7,504
Share premium		35,677	35,677
Reserve capital		329	329
Exchange differences from translation of foreign entities		(9,069)	(8,487)
Other capitals		(104)	(104)
Retained earnings		401,294	385,032
Equity per shareholders of the Parent Company		435,631	419,951
Total equity		435,631	419,951
Lease liabilities		23,233	25,478
Deferred income tax liability		719	402
Liabilities from employee benefits		678	678
Other long-term liabilities		33	36
Total long-term liabilities		24,663	26,594
Trade and other payables	15	95,018	83,422
Liabilities from employee benefits	16	12,441	12,304
Lease liabilities		6,461	6,459
Liabilities from current income tax		4,577	3,105
Provisions	16	1,858	1,593
Total short-term liabilities		120,355	106,883
Total liabilities		145,018	133,477
Total equity and liabilities		580,649	553,428



Consolidated statement of profit or loss and other comprehensive income

	Note	3 months period ended	
		2024 unaudited	2023 unaudited
Revenue from sales of goods	18, 19	195,647	175,028
Cost of goods and materials sold	18, 20	(131,682)	(118,116)
Gross sales profit		63,965	56,912
Selling costs	18	(32,754)	(28,472)
Administrative expenses	18	(11,017)	(9,393)
Expected credit losses		(50)	77
Other operating revenue		1,260	83
Other operating expenses		(869)	(162)
Operating profit		20,535	19,045
Financial income		420	82
Financial expenses		(519)	(1,802)
Profit before tax		20,436	17,325
Income tax		(4,174)	(3,738)
Net profit		16,262	13,587
Other comprehensive income that may be reclassified to profit or loss			
Foreign operations currency translation differences		(582)	(1,985)
Other net comprehensive income		(582)	(1,985)
Total net comprehensive income for the period		15,680	11,602
Net profit for the year attributable to:			
Shareholders of the Parent Company		16,262	13,587
Non-controlling interests		-	-
Other comprehensive income attributable to:			
Shareholders of the Parent Company		(582)	(1,985)
Non-controlling interests		-	-
Total comprehensive income for the year attributable to:			
Shareholders of the Parent Company		15,680	11,602
Non-controlling interests		-	-



Earnings per share

		3 months period ended	
		2024	2023
		unaudited	unaudited
Basic profit per share in PLN	13	0.22	0.18
- from continuing operations		0.22	0.18
- from discontinued operations		-	-
Diluted earnings per share in PLN	13	0.22	0.18
- from continuing operations		0.22	0.18
- from discontinued operations		-	-



Consolidated statement of changes in equity

	Share capital	Share premium	Reserve capital	Exchange differences from translation of foreign entities	Other capitals	Retained earnings	Attributable to shareholders of the Parent Company	Total equity
As at 1 January 2024	7,504	35,677	329	(8,487)	(104)	385,032	419,951	419,951
Comprehensive income								
Net profit	-	-	-	-	-	16,262	16,262	16,262
Other comprehensive income	-	-	-	(582)	-	-	(582)	(582)
Total comprehensive income	-	-	-	(582)	-	16,262	15,680	15,680
Transactions with owners	-	-	-	-	-	-	-	-
Total changes in equity	-	-	-	(582)	-	16,262	15,680	15,680
As at 31 March 2024	7,504	35,677	329	(9,069)	(104)	401,294	435,631	435,631
As at 1 January 2023	7,504	35,677	329	10,543	(73)	316,714	370,694	370,694
Comprehensive income								
Net profit	-	-	-	-	-	13,587	13,587	13,587
Other comprehensive income	-	-	-	(1,985)	-	-	(1,985)	(1,985)
Total comprehensive income	-	-	-	(1,985)	-	13,587	11,602	11,602
Transactions with owners	-	-	-	-	-	-	-	-
Total changes in equity	-	-	-	(1,985)	-	13,587	11,602	11,602
As at 31 March 2023	7,504	35,677	329	8,558	(73)	330,301	382,296	382,296

The explanatory notes constitute an integral part of these condensed interim consolidated financial statements



Consolidated cash flow statement

	Note	3 months ended 31 March	
		2024	2023
Cash flows from operating activities			
Profit before tax		20,436	17,325
Adjustments for:			
Amortization and depreciation		4,258	3,899
Net interest		99	1,720
Foreign exchange gains/losses		(160)	4
Changes in balance sheet items:			
Change in trade and other receivables	11	(25,440)	8,513
Change in inventories	11	16,520	15,612
Change in provisions	11	270	(44)
Change in trade and other payables	11	11,924	(5,748)
Change in employee benefit liabilities	11	141	(6,024)
Cash from activities		28,048	35,257
Income tax paid		(3,058)	(6,030)
Net cash from operating activities		24,990	29,227
Cash flows from investing activities			
Purchases of property, plant and equipment and intangible assets		(2,941)	(3,940)
Interest received		420	82
Net cash from investing activities		(2,521)	(3,858)
Cash flows from financing activities			
Proceeds from loans		-	(1,166)
Repayments of loans		-	(24,226)
Repayment of lease liabilities		(2,064)	(1,888)
Interest paid on loans		-	(1,612)
Interests paid on leases		(519)	(353)
Net cash from financing activities		(2,583)	(29,245)
Net change in cash and cash equivalents		19,886	(3,876)
Balance sheet change in cash and cash equivalents, including:			
- effect of translation of cash and cash equivalents		(53)	(301)
Cash and cash equivalents at the beginning of the period	10	69,927	38,836
Cash and cash equivalents at the end of the period	10	89,760	34,659

Explanatory notes to condensed interim consolidated financial statements

1. General information

TOYA S.A. (the "Company" or the "Parent Company") is a joint stock company established under the Commercial Companies Code. The Company has its registered office in Wrocław at ul. Sołtysowicka 13-15. The Company's shares are publicly traded.

The Company is entered into the Commercial Register maintained by the District Court for Wrocław-Fabryczna, 6th Commercial Division under entry No KRS 0000066712. The Company's Statistical Identification Number (REGON) is 932093253.

The duration of the Company is unlimited.

The core business activities of TOYA S.A. and TOYA S.A. CAPITAL GROUP include import and distribution of industrial goods, including primarily hand and power tools for professional and DIY use.

In the period from 1 January to 31 March 2024, and as at the date of approval of this report for publication, the Management Board was composed of the following members:

- | | |
|--------------------|---|
| - Grzegorz Pinkosz | President of the Management Board; |
| - Maciej Lubnauer | Vice-President of the Management Board; |
| - Robert Borys | Vice-President of the Management Board. |

In the period from 1 January to 31 March 2024 and as at the date of approval of this report, the Supervisory Board of the Company was composed of the following members:

- | | |
|--------------------------------|--|
| - Piotr Mondalski | President of the Supervisory Board; |
| - Jan Szmidt | Vice-President of the Supervisory Board; |
| - Dariusz Górka | Member of the Supervisory Board; |
| - Michał Kobus | Member of the Supervisory Board; |
| - Grzegorz Maciąg | Member of the Supervisory Board; |
| - Wojciech Bartłomiej Papierak | Member of the Supervisory Board; |
| - Beata Szmidt | Member of the Supervisory Board. |

These condensed interim consolidated financial statements of the Group cover the period of 3 months ended on 31 March 2024. Comparative data is presented:

- as at 31 December 2023 - for the interim consolidated statement of financial position;
- for the period from 1 January 2023 to 31 March 2023 - for the interim consolidated statement of profit or loss and other comprehensive income, the interim consolidated statement of cash flows and the interim consolidated statement of changes in equity.

These condensed interim consolidated financial statements of the Group for 3 months period ended 31 March 2024 were approved for publication by the Management Board on 10 May 2024.

The Parent Company has also prepared the condensed interim stand-alone financial statements for the 3 months period ended 31 March 2024, which was approved for publication by the Management Board on 10 May 2024.

2. Capital group structure

As at 31 March 2024, the Group comprised the following entities:

Entity name	Registered office	Business profile	Type of equity link	% of shares and votes held	Date of assuming control	Method of consolidation as at the end of the reporting period
TOYA S.A.	Wrocław, Poland	Distribution of hand and power tools	Parent Company	Not applicable	Not applicable	Not applicable – Group's Parent Company
Toya Romania S.A.	Bucharest, Romania	Distribution of hand and power tools	Subsidiary	99.99	November 2003	Full consolidation method
Yato Tools (Shanghai) Co., Ltd	Shanghai, China	Distribution of hand and power tools	Subsidiary	100.00	January 2013	Full consolidation method
Yato Tools (Jiaxing) Co., Ltd	Baibu Town, China	Distribution of hand and power tools	Subsidiary	100.00	December 2019	Full consolidation method

In period from 1 January to 31 March 2024, there were no changes in the structure of the Group.

3. Summary of significant accounting policies

3.1 Basic for preparation

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34 „Interim Financial Reporting” approved by the EU.

They should be read jointly with the annual consolidated financial statements for the year ended 31 December 2023 prepared in accordance with International Financial Reporting Standards (called „IFRS”) and interpretations issued by International Accounting Standards Board approved by European Union (called „EU”).

Going concern

These condensed interim consolidated financial statements have been prepared on the assumption that the Group will continue as going concerns in the foreseeable future.

3.2 Accounting policies

The accounting principles are consistent with the principles applied in the annual consolidated financial statements for the financial year ended 31 December 2023, except for the adoption of new and amended standards, as described below.

3.3 Effect of new or amended standards and interpretations on the Group's consolidated financial statements

These financial statements were prepared on the basis of IFRS approved by the EU, issued and effective for reporting periods beginning on or after 1 January 2024.

a) **New standards, interpretations and amendments to existing standards effective in 2024**

- **Amendment to IAS 1 "Presentation of financial statements"**

The change clarifies that as at the balance sheet date, the entity does not take into account covenants that will have to be met in the future when considering the classification of liabilities as long- or short-term. However, the entity should disclose information about these covenants in the explanatory notes to the financial statements.

This change had no impact on the consolidated financial statements of the Group.

- **Amendment to IAS 1 "Presentation of financial statements"**

The IAS Council clarified the rules for classifying liabilities as long- or short-term primarily in two aspects:

- it was clarified that the classification depends on the rights that the entity has as at the balance sheet date,
- management's intentions to accelerate or delay payment of the obligation are not taken into account.

This change had no impact on the consolidated financial statements of the Group.

- **Amendment to IFRS 16 "Leases"**

The amendment clarifies the requirements for the valuation of leasing liabilities arising from sale and leaseback transactions. It is intended to prevent incorrect recognition of the result on the transaction in the part relating to the retained right of use when leasing payments are variable and do not depend on the index or rate.

This change had no impact on the consolidated financial statements of the Group.

b) **New standards, interpretations and changes to existing standards that are not yet in force and have not been previously applied by the Group**

In 2024, after the date of publication of the annual financial statements, i.e. after March 28, 2024, no changes, new standards or interpretations were published.

The Group has not decided in these condensed consolidated financial statements on the earlier application of any standard, interpretation or change that has been published but has not yet entered into force in the light of European Union regulations.

4. Seasonality

The Group's offer is addressed to the consumer market, which may be sensitive to seasons and weather conditions. Despite this, seasonality is practically non-existent at present. This is the result of the policy of introducing new products adapted to the seasons of the year, as well as the Group's wide product offer.

5. Property, plant and equipment

	31 March 2024 unaudited	31 December 2023
Land	2,907	2,907
Buildings and structures	38,871	39,411
Plant and equipment	4,015	4,056
Vehicles	1,933	1,735
Other	12,467	12,734
Total	60,193	60,843
Property, plant and equipment not transferred for use	4,084	2,907
Total property, plant and equipment	64,277	63,750

The item "other" includes mainly warehouse, display shelves, office furniture and warehouse equipment.

In the period from 1 January to 31 31, 2024, the gross value of property, plant and equipment increased by PLN 1,304 thousand, mainly as a result of reclassification of means of transport from right-of-use assets, in connection with the purchase of assets after the leasing period in the Parent Company. Additionally, the Group purchased IT equipment and display shelves.

Depreciation of property, plant and equipment recognized in the financial result amounted to PLN 1,848 thousand. zloty. The remaining changes result from differences in the conversion of foreign units

6. Right-of-use assets

	31 March 2024 unaudited	31 December 2023
Land	5,905	5,942
Buildings and structures	24,103	25,523
Plant and equipment	1,141	1,204
Vehicles	1,185	1,855
Total	32,334	34,524

In the period of 3 months of 2024, the Group did not conclude any new lease agreements. The decrease in the gross value of right-of-use assets resulted from:

- indexation of fees in accordance with agreements concluded in previous years, as a result of which assets were increased by PLN 103 thousand;
- reclassification to fixed assets as a result of buyout made after the end of the lease period in accordance with the terms of the contract, as a result of which the assets were reduced by PLN 292 thousand.

Depreciation of right-of-use assets recognized in the financial result amounted to PLN 2,549 thousand. Other changes result from differences from the currency translation of foreign entities.

7. Goodwill

Goodwill amounting to PLN 722 thousand includes only the goodwill resulting from the acquisitions of Yato Tools (Shanghai) Co. Ltd. in 2013. In 2024, goodwill decreased by PLN 1 thousand as a result of exchange rate differences.

8. Inventory

	31 March 2024 unaudited	31 December 2023
Goods for resale at warehouse and in transit	270,015	286,902
Asset for expected returns from customers	395	378
Total inventory (per balance sheet)	270,410	287,280
Revaluation write-down for goods for resale	8,861	6,337
Total inventory (gross)	279,271	293,617

Creation and reversal of inventory write-down is recognized in profit or loss and presented as "cost of goods sold".

In accordance with IFRS 15, in the item "assets for expected returns from customers", the Company presents the value of goods which may be expected to be returned from customers after the end of the reporting period.

The table below presents changes in revaluation write-downs on inventory:

	2024	2023
As at 1 January	6,337	4,849
Increase	3,037	1,805
Reversal/utilization	(498)	-
Currency translation differences	(15)	(317)
As at 31 March / 31 December	8,861	6,337

9. Trade and other short-term receivables

	31 March 2024 unaudited	31 December 2023
Trade receivables from related parties	5	8
Trade receivables from third parties	91,773	72,430
Total trade receivables	91,778	72,438
Taxes, custom duties and social security receivables	11,950	10,237
Other receivables from third parties	2,074	1,606
Advances for deliveries of goods for resale	7,587	5,120
Prepayments and deferred costs	2,936	1,867
Total gross receivables	116,325	91,268
Allowance for the expected credit losses on trade receivables	(3,200)	(3,171)
Impairment write-downs of other receivables	(36)	(36)
Total net receivables	113,089	88,061

The Group applies a simplified approach and measures the allowance in an amount equal to the expected credit losses throughout the life cycle using the provision matrix.

Changes in the allowance for the expected credit losses of trade receivables are presented in the table below:

	2024	2023
Opening balance of the allowance for the expected credit losses	3,171	2,745
Write-offs included in the financial result	50	748
Reversal of unused write-offs	(12)	-
Receivables classified individually as irrecoverable	-	(200)
Currency translation differences	(9)	(122)
As at 31 March / 31 December	3,200	3,171

10. Cash and cash equivalents

	31 March 2024 unaudited	31 December 2023
Cash in hand and at bank	89,760	69,927
Total cash and cash equivalents	89,760	69,927

11. Additional explanation to the cash flow statement

Reconciliation of changes in balance sheet items as shown in the statements of financial position and in the statements of cash flows:

3 months ended on 31 March 2024	Balance sheet change	Adjustments		Change in statement of cash flows
		Measurement of cash in foreign currencies	Effect of currency translation of foreign entities	
Change in trade and other receivables	(25,028)	-	(412)	(25,440)
Change in inventories	16,870	-	(350)	16,520
Change in provisions	265	-	5	270
Change in trade and other payables	11,596	-	328	11,924
Change in employee benefit liabilities	137	-	4	141
Change in cash	19,833	53		19,886

3 months ended on 31 March 2023	Balance sheet change	Adjustments			Change in statement of cash flows
		Advances paid for property, plant and equipment	Measurement of cash in foreign currencies	Effect of currency translation of foreign entities	
Change in trade and other receivables	10,457	(337)	-	(1,607)	8,513
Change in inventories	16,510	-	-	(898)	15,612
Change in provisions	(47)	-	-	3	(44)
Change in trade and other payables	(7,392)	-	-	1,644	(5,748)
Change in employee benefit liabilities	(6,048)	-	-	24	(6,024)
Change in cash	(4,177)	-	301	-	(3,876)

12. Share capital

As at 31 March 2024, the share capital amounts to PLN 7,504,222.60 and comprises 75,042,226, shares with a par value of PLN 0.1 each.

In the period from 1 January to 31 March 2024, there were no charges in the amount of share capital.

13. Earnings per share

	3 months ended 31 March	
	2024 unaudited	2023 unaudited
Net profit attributable to the shareholders of the Parent Company	16,262	13,587
Weighted average number of ordinary shares ('000)	75,042	75,042
Basic net profit per share (PLN)	0.22	0.,18
Net profit attributable to ordinary shareholders used to calculate diluted earnings per share	16,262	13,587
Adjusted weighted average number of ordinary shares used for calculating diluted earnings per share ('000)	75,042	75,042
Diluted earnings per share from continuing operations (PLN)	0.22	0.18

Basic earnings per share were calculated by dividing the net profit by the weighted average number of ordinary shares during the period.

In period from 1 January to 31 March 2024 and 2023 the Group had no potential dilutive instruments.

14. Loans and borrowings liabilities

As at 31 March 2024 and 31 December 2023, the Group had no debt under bank loans.

The terms of the concluded bank loan agreements are presented in the table below:

Object and value of agreement	Name of the Bank	Loan amount as per agreement as at 31.03.2024	Current interest rate	Date of expiry
1. Overdraft facility agreement No BDK/KR-RB/000054601/0641/10 of 22 December 2010	Bank Handlowy w Warszawie S.A.	70,000	WIBOR 1 M + bank's margin	15 December 2024
2. Overdraft credit facility agreement No 09/030/19/Z/VV	mBank S.A. with its registered office in Warsaw	60,000	WIBOR ON + bank's margin	29 March 2025
3. Overdraft credit facility agreement No WAR/8833/20/326/CB	BNP Paribas Bank Polska S.A. with its registered office in Warsaw	25,000	WIBOR 1 M + bank's margin	15 November 2024
4. Short-term working capital loan agreement	CITIBANK (CHINA) CO., LTD. SHANGHAI BRANCH based in the People's Republic of China	33,144 (*)	LPR + bank's margin	12 March 2025
Total liabilities, of which:		188,144		
– short-term portion		188,144		
– long-term portion		-		

(*) CNY 60,000 thousand converted at the average NBP exchange rate applicable as of 31 March 2024.

The loan agreements of the Parent Entity (points 1-3 above) provide that throughout the entire loan period, the borrower undertakes to maintain the capitalization ratio and debt ratio at the agreed level and to maintain inflows to bank accounts in the agreed amount, in accordance with the terms of the loan agreements.

Loan agreement concluded by Yato Tools (Shanghai) Co. Ltd (point 4 above) provides that during the loan period the borrower may not, without the prior written consent of the bank, create or allow to exist any security over any of its assets, nor dispose of any of its assets on such terms that they would be re-acquired or leased by the borrower or its related entity (the so-called Negative Pledge clause).

Loan agreement concluded by Yato Tools (Shanghai) Co. Ltd is guaranteed by the Parent Entity (see point 22).

15. Trade and other payables

	31 March 2024 unaudited	31 December 2023
Trade payables to related parties	-	-
Trade payables to third parties	79,715	73,186
Total trade payables	79,715	73,186
Tax liabilities	10,265	6,386
Liability due to expected goods returns	618	589
Prepayments received for deliveries	2,240	1,383
Other payables to third parties	984	669
Deferred revenue	1,196	1,209
Total other current payables	15,303	10,236
Total	95,018	83,422

16. Changes in estimates

16.1 Inventory write-down

In the first quarter of 2024, the Group increased the inventory write-down by PLN 2,524 thousand. The need to significantly increase impairment losses in the first quarter of 2024 resulted from unstable demand on one of the European markets.

In the 1st quarter of 2023 the Group has increased the inventory write-down by the amount of PLN 626 thousand.

16.2 Write-off for expected credit losses on receivables

In the 1st quarter of 2024 the Group has increased the trade receivables write-down by the amount of PLN 29 thousand.

In the 1st quarter of 2023 the Group has decreased the trade receivables write-down by the amount of PLN 124 thousand.

16.3 Provision for guarantees

In the 1st quarter of 2024 the Group has increased the guaranty provision by the amount of PLN 265 thousand.

In the 1st quarter of 2023 the Group has decreased the guaranty provision by the amount of PLN 47 thousand.

16.4 Employee benefits obligations

In the 1st quarter of 2024 the Group has increased the unused holidays provision by the amount of PLN 355 thousand.

In the 1st quarter of 2023 the Group has increased the unused holidays provision by the amount of PLN 288 thousand.

16.5 Deferred tax

Deferred tax assets were increased in the first quarter of 2024 by PLN 885 thousand, mainly as a result of provisions and write-offs created as at 31 March 2024.

Deferred tax assets were reduced in the first quarter of 2023 by PLN 281 thousand.

In the opinion of the Management Board, there is no threat to the possibility of realizing deferred tax assets.

17. Fair value

Book value of financial assets and liabilities approximates their fair value. In the first quarter of 2024, there were no changes in the business conditions and economic situation that would affect the fair value of financial assets and liabilities.

18. Operating segments

The Management Board of the Parent Company makes decisions related to the Company's operations from the perspective of distribution channels and geographical coverage.

The Group distinguishes 4 operating and reporting segments in its operations:

- sales on local markets (Poland, Romania) to retail chains,
- sales on local markets (Poland, Romania and China) - wholesale market,
- foreign sales,
- retail – mainly through e-commerce channels (Poland, Romania and China).

As part of the retail networks segment, the Group cooperates with large retail networks throughout Poland and Romania. Wholesale on all markets where the Group holds its entities is conducted through a network of wholesalers, authorised retail stores and sales representatives. Foreign markets are supported using sales department of the Parent Company and subsidiaries Yato Tools (Shanghai) Co. Ltd. and Yato Tools (Jiaxing) Co. Ltd. As part of retail sales, sales are mainly realized through an online store and online sales platforms.

Data analysed by the Management Board of the Parent Company for segment description is consistent with the data disclosed in the statement of comprehensive income.

The Group did not record revenue from sale to a single external customer exceeding 10% of total sales revenue.

As at 31 March 2024, the Group's assets amounted to PLN 580,649 thousand, and the Group's liabilities amounted to PLN 145,018 thousand and were related only to trading activities. The Management Board of the Parent Company does not examine the assets of the Group for each segment separately.

The Parent Company has no non-current assets located abroad. Non-current assets of the subsidiaries are located outside of Poland. The net value of property, plant and equipment located in Romania as at 31 March 2024 is PLN 4,370 thousand and located in China is PLN 41,508 thousand.



3 months ended 31 March 2024	<i>EXPORT SALES</i>	<i>WHOLESALE MARKET</i>	<i>RETAIL NETWORKS</i>	<i>RETAIL SALES (*)</i>	TOTAL
Sales revenue					
Sales to external customers by location:					
Poland	-	61,414	17,963	21,393	100,770
Romania	-	17,542	2,604	266	20,412
China	-	6,392	-	564	6,956
Other countries	67,509	-	-	-	67,509
Total segment revenue	67,509	85,348	20,567	22,223	195,647
Cost of goods sold					
Sales to external customers	(49,377)	(54,694)	(14,658)	(12,953)	(131,682)
Cost of goods sold – total	(49,377)	(54,694)	(14,658)	(12,953)	(131,682)
Gross profit	18,132	30,654	5,909	9,270	63,965
Gross profit margin	26.9%	35.9%	28.7%	41.7%	32.7%

3 months ended 31 March 2023	<i>EXPORT SALES</i>	<i>WHOLESALE MARKET</i>	<i>RETAIL NETWORKS</i>	<i>RETAIL SALES (*)</i>	TOTAL
Sales revenue					
Sales to external customers by location:					
Poland	-	60,604	16,684	10,189	87,477
Romania	-	21,511	2,151	232	23,894
China	-	6,291	-	644	6,935
Other countries	56,722	-	-	-	56,722
Total segment revenue	56,722	88,406	18,835	11,065	175,028
Cost of goods sold					
Sales to external customers	(40,433)	(58,139)	(13,632)	(5,912)	(118,116)
Cost of goods sold - total	(40,433)	(58,139)	(13,632)	(5,912)	(118,116)
Gross profit	16,289	30,267	5,203	5,153	56,912
Gross profit margin	28.7%	34.2%	27.6%	46.6%	32.5%

(*) mainly e-commerce sales

19. Sales revenue

	3 months ended 31 March	
	2024 unaudited	2023 unaudited
Sales of good for resale	195,647	175,028
Total sales revenue	195 647	175 028

The geographical structure of revenues from sales has been presented below:

	3 months period ended		3 months period ended	
	31 March 2024		31 March 2023	
	Sales revenue	Share	Sales revenue	Share
Europe, including:	46,638	23.8%	43,130	24.6%
<i>Ukraine</i>	9,816	5.0%	8,822	5.0%
<i>Hungary</i>	7,265	3.7%	6,456	3.7%
<i>Belarus</i>	6,415	3.3%	5,257	3.0%
<i>Baltic countries</i>	4,688	2.4%	5,142	2.9%
<i>Czech Republic</i>	3,822	2.0%	2,949	1.7%
<i>Russia</i>	2,938	1.5%	2,523	1.4%
<i>Moldova</i>	2,753	1.4%	1,725	1.0%
<i>Greece</i>	1,957	1.0%	2,068	1.2%
<i>Bulgaria</i>	1,193	0.6%	1,545	0.9%
<i>Germany</i>	982	0.5%	1,535	0.9%
<i>Croatia</i>	941	0.5%	928	0.5%
Asia, including:	7,363	3.8%	5,989	3.4%
<i>United Arab Emirates</i>	906	0.5%	492	0.3%
South America including:	3,513	1.8%	1,906	1.1%
<i>Chile</i>	2,641	1.3%	1,513	0.9%
Central America including:	2,276	1.2%	1,140	0.7%
<i>Guatemala</i>	1,526	0.8%	424	0.2%
Africa, including:	7,670	3.9%	4,377	2.5%
<i>Democratic Republic of Kongo</i>	1,484	0.8%	702	0.4%
Australia and Oceania	49	0.0%	180	0.1%
Total export	67,509	34.5%	56,722	32.4%
Poland	100,770	51.5%	87,477	50.0%
Romania	20,412	10.4%	23,894	13.6%
China	6,956	3.6%	6,935	4.0%
Total sales revenue	195,647	100.0%	175,028	100.0%

20. Costs by type and cost of goods for resale sold

	3 months ended 31 March	
	2024	2023
	unaudited	unaudited
Amortisation and depreciation	4,258	3,899
Material and energy consumption	2,590	2,396
Third-party services	12,223	8,652
<i>costs of transportation</i>	3,694	3,168
<i>logistics services</i>	83	272
<i>IT, telecommunications and postal costs</i>	839	776
<i>online sales platform access services</i>	3,119	1,413
<i>rent with service and maintenance charges</i>	866	817
<i>legal, audit and consulting costs</i>	1,344	441
<i>other third-party services</i>	2,278	1,765
Taxes and fees	724	610
Costs of employee benefits, including:	20,497	18,562
<i>Salaries</i>	16,936	15,206
<i>Social security</i>	2,716	2,524
<i>Employee capital plans</i>	46	45
<i>Other</i>	659	787
Other costs by type	3,479	3,746
Value of goods for resale and materials sold	131,682	118,116
Total costs by type and value of goods for resale sold	175,453	155,981
Selling costs, including:	32,754	28,472
<i>amortisation and depreciation</i>	2,912	2,832
<i>costs of employee benefits</i>	14,094	12,718
Administrative expenses, including:	11,017	9,393
<i>amortisation and depreciation</i>	1,346	1,067
<i>costs of employee benefits</i>	6,403	5,844
Value of goods for resale sold	131,682	118,116
Costs by type and value of goods sold	175,453	155,981

21. Financial guarantees granted and received

As at 31 March 2024, companies belonging to the TOYA Group were parties to the following guarantee agreements in connection with their operations, granted by the following entities:

No	Counterparty	Type of guarantee	Subject matter and value	Date of expiry
1	Bank Handlowy w Warszawie S.A.	Guarantee of payment for the lease of warehouses in Nadarzyn	Bank guarantee in the amount of EUR 613,352	28 February 2025
2	Sopockie Towarzystwo Ubezpieczeń ERGO Hestia S.A.	Contract on granting a customs debt guarantee	The security for repayment of custom debts, taxes and other fees associated with goods released into free circulation based on customs declaration, in the amount of PLN 270,000	31 December 2024
3	BRD Groupe Societe Generale	Guarantee of payment for warehouse rental in Bucharest	Bank guarantee in the amount of EUR 247,300	3 August 2024

On 12 June 2019, granted a guarantee of payment of liabilities arising from warehouse and office rental agreement by Toya Romania S.A. to the landlord up to the amount of EUR 115 thousand. The lease agreement was concluded on 8 February 2019 and covers a period of 10 years, with the option of changing this period. The warranty expires 3 months after the date of termination of the lease.

On 29 March 2024, TOYA S.A. concluded a surety agreement with Citibank (China) Company Limited-Shanghai Branch, based in the People's Republic of China, in order to secure the repayment of the bank's receivables arising from the conclusion by YATO TOOLS (Shanghai) Co., Ltd of an agreement for a short-term working capital loan, in the amount of CNY 60,000 thousand. The contract assumes a guarantee from TOYA S.A. for the liabilities of the subsidiary up to the amount of CNY 72,000 thousand. The guarantee was granted until 31 August 2025.

22. Contingent assets and liabilities

As at 31 March 2024, the Group had no significant liabilities or contingent assets.

23. Transactions with related parties

In the periods from 1 January to 31 March 2024 and 2023, the Group effected transactions with the following related parties:

- Toyota Katowice Sp. z o.o. - entity related through key management personnel,
- Grzegorz Pinkosz – President of the Management Board – key management personnel,
- Maciej Lubnauer – Vice-President of the Management Board – key management personnel,
- Robert Borys – Vice-President of the Management Board – key management personnel,
- Piotr Mondalski – President of the Supervisory Board - key management personnel,
- Jan Szmidt – Vice-President of the Supervisory Board – key management personnel,
- Dariusz Górka – Member of the Supervisory Board – key management personnel,
- Grzegorz Maciąg – Member of the Supervisory Board – key management personnel,
- Michał Kobus - Member of the Supervisory Board – key management personnel,
- Wojciech Bartłomiej Papierak - Member of the Supervisory Board – key management personnel,
- Beata Szmidt - Member of the Supervisory Board – key management personnel.

Statement of transactions and balances with related entities:

	Receivables due to supplies and services and other receivables	Liabilities related to supplies and services and other liabilities	Revenues from the sale of goods	Purchase of goods and services
	31.03.2024		1.01.2024 - 31.03.2024	
Entities related through key management personnel	-	-	27	-
Total	-	-	27	-
	31.12.2023		1.01.2023 - 31.03.2023	
Entities related through key management personnel	1	-	19	-
Total	1	-	19	-

Related party transactions are entered into on arm's length terms in the course of the Group's day-to-day operations.

Management Board remuneration

The remuneration and benefits paid or payable to the Company's key management personnel are as follows:

	3 months ended 31 March	
	2024	2023
Remunerations and benefits under employment contracts and appointment contracts - Management Board	296	2 410
Social insurance (ZUS) costs borne by the Company - Management Board	3	3
Remunerations for positions held - Supervisory Board	222	153
Social insurance (ZUS) costs borne by the Company - Supervisory Board	40	27
Employee Capital Plans (PPK) financed by the Company	2	1

24. Material events subsequent to the end of reporting period

No significant events occurred after 31 March 2024.

PART B - OTHER INFORMATION TO CONSOLIDATED QUARTERLY REPORT

1. Description of significant events in the first quarter of 2024

1.1 Expression of consent by the Supervisory Board to conclude a surety agreement

On 6 March 2024, the Supervisory Board consented to the conclusion of the Surety Agreement No. BDK/UP/000054601/0040/23 by the Company, with Citibank (China) Company Limited-Shanghai Branch, based in the People's Republic of China. The Surety Agreement was concluded on 29 March 2024 to secure the repayment of receivables due to the Bank due to the planned conclusion by YATO TOOLS (Shanghai) Co., Ltd., with and the Bank, of the Short-term Working Capital Credit Agreement), in the amount of CNY 60,000 thousand .

The Surety Agreement assumes:

- a) surety of the Issuer for the liabilities of the Subsidiary up to CNY 72,000 thousand;
- b) granting a surety by 31 August 2025;
- c) authorizing the Bank to debit the Issuer's current account with the amount of liabilities arising from the Surety Agreement;
- d) the Issuer's obligation to provide, at the Bank's request, within the time limit and in accordance with the conditions indicated by the Bank, in the content approved by the Bank, a declaration of submission to enforcement in the form of a notarial deed in accordance with Art. 777 § 1 point 5) Code of Civil Procedure.

The remaining terms and conditions of the Surety Agreement do not differ from those commonly used for this type of agreements.

1.2 Conclusion of a short-term loan agreement by a subsidiary

On 26 March 2024, TOYA S.A. received information about the conclusion of the Short-term Working Capital Credit Agreement with CITIBANK (CHINA) CO., LTD. SHANGHAI BRANCH based in the People's Republic of China.

The loan amount is CNY 60,000 thousand. The amount will be used for the current operations of the Subsidiary. The contract was concluded for 12 months.

The loan is secured by a guarantee from TOYA S.A. for the liabilities of the Subsidiary under the surety agreement.

The remaining terms and conditions of the Agreement do not differ from those commonly used for this type of agreements.

1.3 Annex to the overdraft agreement

On 26 March 2024, TOYA S.A. concluded Annex No. 6 to the Current Account Credit Agreement No. 09/030/19/Z/VV with mBank S.A. based in Warsaw. Pursuant to the annex, the final repayment date of the loan was set at 27 March 2024. The remaining terms and conditions of the Agreement do not differ from the terms and conditions commonly used for this type of agreements.

2. Description of circumstances and events, particularly not typical that have significant impact on the financial result

The group has been present on the markets of Eastern Europe for a long time, in particular in Ukraine, Belarus and Russia. Despite its long presence on these markets, the Group did not have any assets there and transactions with local customers were of a short-term nature. The Russian-Ukrainian conflict that started with hostilities on 24 February 2022, disrupted trade relations in these markets, resulting in a temporary freezing of relations with some customers. It should be emphasized that the Group complies with all sanctions imposed by the European Union, Poland and the governments of other countries imposed on entities, persons and goods indicated in the relevant legal acts. The Group has implemented appropriate procedures in this regard. However, the implemented procedures and the need to verify and comply with all economic sanctions result in a slowdown in trade with customers from these markets, which is, however, beyond the Group's control. This may impact trading with customers present in these markets.

Sales revenues of the TOYA S.A. Capital Group for the first quarter of 2024 amounted to PLN 195,647 thousand, i.e. 11.8% more than in the corresponding period of 2023. Net profit of the TOYA S.A. Capital Group for the first quarter of 2024 amounted to PLN 16,262 thousand. PLN compared to PLN 13,587 thousand PLN for the first quarter of 2023

Sales revenues in the 3-month period of 2024 were higher compared to revenues in the same period last year mainly in the retail sales channel - by PLN 11,158 thousand PLN (i.e. by 101%) and in foreign sales - by PLN 10,787 thousand (i.e. by 19%). A slight increase (by PLN 1,732 thousand, i.e. 9%) occurred in the retail chain channel. The wholesale channel recorded a decrease in sales (a decrease of PLN 3,058 thousand, i.e. by 3%), which was due to lower sales in this channel in Romania.

The Group's short-term receivables as at 31 March 2024 increased by 28% and short-term liabilities increased by 14% as compared to 31 December 2023. The main reason for the increase in receivables was the higher level of sales in March 2024 compared to December 2023. The increase in liabilities results directly from the higher level of goods orders.

3. Statement of the Management Board regarding the possibility of realizing previously published forecasts of results for a given year, in the light of the results presented in the quarterly report in relation to the forecasted results

The Management Board of Toya S.A. had not published forecasts of the results of the Company or the Group for 2024.

4. Indication of factors which, in the issuer's opinion, will have an impact on the results achieved by the issuer in the perspective of at least the next quarter.

The Capital Group attaches great importance to the quality of customer service. This is a key factor for maintaining a competitive advantage on the market, and one of its most important elements is ensuring full availability of the product offer for every customer in any region of the world. By supporting these goals, the Group improves logistics processes and maintains good relations with suppliers, taking into account the need to minimize delivery costs. The Group intends to strengthen its market position and look for new, attractive expansion opportunities.

The most important activities for the implementation of this program are:

- Developing the capital group

Subsidiaries achieved good financial results in the first quarter of 2024.

The subsidiary Yato Tools (Jiaxing), based in Baibu Town, a town located in the Zhejiang Province of the People's Republic of China, manages a high-bay warehouse located close to two seaports, which are one of the largest transshipment centres in the world, as well as relatively close to the largest Group's suppliers. It serves as the Group's central warehouse, where shipments to warehouses in Poland and Romania are consolidated, and it also serves as a local warehouse for companies located in China. The warehouse is equipped with modern warehouse automation, enabling the optimization of logistics processes and at the same time not requiring the involvement of significant human resources. The process of supporting and developing logistics capabilities will be continued, as it is an important element of building the Group's competitive advantage in the long term.

- Developing the export channel

The war conflict between Russia, Belarus and Ukraine has had an impact on sales in the export channel, mainly due to the inability to expand the sales network in these markets. Despite this situation, the Group achieved good development dynamics in these countries in the first quarter of this year. However, it should be emphasized that a necessary condition for further achieving good financial conditions on these markets is the stabilization of the political and macroeconomic situation.

Regardless of the situation referred to above, the Group will strengthen its position on the other markets where it is present. This applies to markets where the Group has traditionally been present for many years, e.g. the Hungarian market, but also in southern European countries, where the Group has been less visible so far.

The group will also strengthen outside Europe. In these markets, the Chinese subsidiary Yato Tools (Jiaxing) will develop sales and acquire new customers. The foreign expansion of this company will be supported by the development of logistics processes in the capital group, based on a newly built warehouse in China, equipped with modern infrastructure.

- Effective products management

The Group attaches great importance to effective product management from the moment it enters the market until it is withdrawn from the offer. Currently, the Group's portfolio includes a very wide range of several thousand products addressed to a wide range of recipients. The Group is constantly developing its product offer with the participation of a team of Product Managers to make it attractive, modern and very well suited to the expectations of a wide range of customers, both in Europe and other parts of the world where the Group sees development potential. The team is supported by modern IT technology and systems and devices supporting product management.

This process will be continued in the coming quarters.

- Development of logistics processes

The Group is working to optimize logistics processes. The undertaken analytical work is aimed at finding and subsequent implementation of solutions that will increase the Group's competitive advantage in the long term. Operational activities that will bring results in a short time horizon include, first of all, equipping currently used warehouses with modern tools and automation, which will increase the efficiency of logistics processes and increase safety at work stations.

- Sustainability and ESG transformation

The Group's development in recent periods has been very intense, but the intention is for it to be carried out in a sustainable manner. Therefore, together with the financial annual report, the "Report on non-financial information of the Group for 2023" was published, which describes the environmental, social and corporate governance activities carried out. The Group is convinced that further activities in the field of sustainable development will be an important element in increasing its competitive advantage.

- Capital investments

The Parent Company systematically supports the development of its subsidiaries. In December 2022, Toya S.A. paid the last capital tranche for Yato Tools (Jiaxing), completing the process of capital payment for this company in the amount of USD 12.5 million.

The Group continues to monitor the market in search of an attractive acquisition target that will add value to shareholders.

5. Shareholders holding directly or indirectly via related parties at least 5% of total votes at the Parent's General Shareholders' Meeting and changes in the ownership of qualified holdings of Toya S.A. shares in the period from last quarter report until the date of filling this report.

Shareholders holding at least 5% of total voting rights,

Based on the information possessed by the Company (according to information provided to Company by its shareholders), shareholders holding at least 5% of voting rights at the date of publication of this report are:

	Number of shares	Number of votes	Percentage share in the total number of votes at the general meeting (%)
Jan Szmidt	28,284,304	28,284,304	37.69%
Romuald Szałagan	9,652,290	9,652,290	12.86%
Generali OFE	5,001,147	5,001,147	6.66%

In the period since the submission of the last report (from 28 March 2024), the Company was not informed about changes in the ownership structure of significant blocks of shares.

6. TOYA S.A. shareholding list or authorizations thereto by persons managing and supervising TOYA S.A. as at the date of submitting the quarterly report, together with an indication of changes in ownership, in the period from the submission of the previous periodic report

Shares and shares options held by Management Board Members

Number of shares and voting rights held by members of the Management Board as at the date of filling this report and changes thereof since the date of filling last report (annual report for 2023 published on 28 March 2024) according to information received by the Company is disclosed in the below table:

	Status according to the information available on 28 March 2024	Increases / decreases	Status according to the information available on 10 May 2024
Grzegorz Pinkosz	146,812	-	146,812
Maciej Lubnauer	61,831	-	61,831
Robert Borys	8,528	-	8,528
TOTAL	217,171	-	217,171

Shares and shares options held by Supervisory Board Members

Number of shares and voting rights held by members of the Supervisory Board as at the date of filling this report and changes thereof since the date of filling last report (annual report for 2023 published on 28 March 2024) according to information received by the Company is disclosed in the below table:

	Status according to the information available on 28 March 2024	Increases / decreases	Status according to the information available on 10 May 2024
Jan Szmidt	28,284,304	-	28,284,304
Beata Szmidt	3,239,253	-	3,239,253
Grzegorz Maciąg	5,275	(2,475)	2,800
TOTAL	31,528,832	(2,475)	31,526,357

7. Information concerning significant proceedings in front of court, body appropriate for arbitration proceedings or in front of public administration bodies.

As at 31 March 2024, TOYA S.A. is not a party to significant proceedings pending before a court, an authority competent for arbitration proceedings or a public administration body.

8. Information on the conclusion by TOYA S.A. or a subsidiary of one or more transactions with related entities, if they are individually or jointly significant and were concluded on terms other than market terms.

Transactions with related parties are concluded in the normal course of the Group's operations and are made on an arm's length basis. These transactions are presented in note 23 of the condensed interim consolidated financial statements and in note 31 of the condensed interim stand-alone financial statements.

9. Information on granting by the Company or its subsidiary sureties for a credit or loan or granting a guarantee - jointly to one entity or a subsidiary of this entity, if the total value of the existing sureties or guarantees is significant.

On 12 June 2019, TOYA S.A. granted a guarantee of payment of liabilities arising from warehouse and office rental agreement by Toya Romania S.A. to the landlord up to the amount of EUR 115 thousand. The lease agreement was concluded on 8 February 2019 and covers a period of 10 years, with the option of changing this period. The warranty expires 3 months after the date of termination of the lease.

On 29 March 2024, TOYA S.A. concluded a surety agreement with Citibank (China) Company Limited-Shanghai Branch, based in the People's Republic of China, in order to secure the repayment of the bank's receivables arising from the conclusion by YATO TOOLS (Shanghai) Co., Ltd of an agreement for a short-term working capital loan, in the amount of CNY 60,000 thousand. The contract assumes a guarantee from TOYA S.A. for the liabilities of the subsidiary up to the amount of CNY 72,000 thousand. The guarantee was granted until 31 August 2025.

Apart from the above, the Parent Company or its subsidiaries did not grant any significant credit or loan guarantees or guarantees jointly to one entity or subsidiary.

10. Other information which in the opinion of Toya S.A. is significant for the assessment of personnel situation, assets, finance and the financial result and any changes thereto, and information which is significant for assessing the ability to perform obligations.

In the 1st quarter of 2024 there were no other significant events which could have a significant impact on the assessment of personnel situation, assets, finance and the financial result and any changes thereto, apart from factors discussed above in the commentary to financial result.

As at the date of filling this report there are no events that could have impact on the Company's ability to meet its obligations.



PART C - CONDENSED INTERIM STAND-ALONE FINANCIAL STATEMENTS OF TOYA S.A.

Statement of financial position

		31 March 2024 unaudited	31 December 2023
ASSETS	Note		
Property, plant and equipment	3	18,398	18,302
Intangible assets		3,445	3,600
Right-of-use assets	4	18,341	19,848
Investments in subsidiaries	5	70,803	70,803
Deferred income tax assets	14	3,238	1,885
Non-current assets		114,225	114,438
Inventory	6, 14	201,757	204,455
Trade and other receivables	7	46,102	33,290
Cash and cash equivalents	8	57,394	49,107
Current assets		305,253	286,852
Total assets		419,478	401,290
EQUITY AND LIABILITIES			
Share capital	10	7,504	7,504
Share premium		35,677	35,677
Reserve capital		329	329
Other capitals		(104)	(104)
Retain earnings		311,430	300,999
Equity		354,836	344,405
Lease liabilities		13,813	15,417
Liabilities from employee benefits		679	678
Other long-term liabilities		27	27
Long-term liabilities		14,519	16,122
Trade and other payables	12	30,833	25,026
Liabilities from employee benefits	14	10,093	8,180
Liabilities from loans		4,207	4,156
Lease liabilities		3,713	2,396
Provisions	14	1,277	1,005
Short-term liabilities		50,123	40,763
Total liabilities		64,642	56,885
Total equity and liabilities		419,478	401,290

The explanatory notes constitute an integral part of these condensed interim stand-alone financial statements



Statement of profit or loss and other comprehensive income

	Note	3 months ended 31 March	
		2024 unaudited	2023 unaudited
Revenue from sales of goods	16	145,599	135,484
Cost of goods sold		(103,599)	(97,664)
Gross profit		42,000	37,820
Selling costs	17	(23,129)	(18,582)
Administrative expenses	17	(6,142)	(5,355)
Expected credit losses		(50)	68
Other operating revenue		761	296
Other operating expenses		(537)	(67)
Operating profit		12,903	14,180
Financial revenue		347	-
Financial expenses		(366)	(1,629)
Profit before tax		12,884	12,551
Income tax		(2,453)	(2,610)
Net profit		10,431	9,941
Other net comprehensive income		-	-
Total net comprehensive income		10,431	9,941
Net profit for the period attributable to shareholders of the Parent Company		10,431	9,941
Comprehensive income for the period attributable to shareholders of the Parent Company		10,431	9,941

Earnings per share

		3 months ended 31 March	
		2024 unaudited	2023 unaudited
Basic earnings per share in PLN	11	0.14	0.13
- from continuing operations		0.14	0.13
- from discontinued operations		-	-
Diluted earnings per share in PLN	11	0.14	0.13
- from continuing operations		0.14	0.13
- from discontinued operations		-	-

The explanatory notes constitute an integral part of these condensed interim stand-alone financial statements



Statement of changes in equity

	Share capital	Share premium	Reserve capital	Other capitals	Retained earnings	Total equity
As at 1 January 2024	7,504	35,677	329	(104)	300,999	344,405
Net profit	-	-	-	-	10,431	10,431
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	10,431	10,431
Total transactions with owners	-	-	-	-	-	-
As at 31 March 2024	7,504	35,677	329	(104)	311,430	354,836
As at 1 January 2023	7,504	35,677	329	(73)	248,104	291,541
Net profit	-	-	-	-	9,941	9,941
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	9,941	9,941
Total transactions with owners	-	-	-	-	-	-
As at 31 March 2023	7,504	35,677	329	(73)	258,045	301,482

Cash flow statement

	Note	3 months ended 31 March	
		2024	2023
Cash flows from operating activities			
Profit before tax		12,884	12,551
Adjustments for:			
Amortisation and depreciation		2,385	2,269
Net interest		19	1,629
Profit/Loss on investing activities		-	-
Foreign exchange gains/losses		(150)	(1)
Changes in balance sheet items:			
Change in trade and other receivables	9	(12,812)	16,646
Change in inventories	9	2,698	3,182
Change in provisions	9	272	(44)
Change in trade and other payables	9	5,807	3,742
Change in employee benefit liabilities	9	1,914	(3,743)
Cash from activities		13,017	36,231
Income tax paid		(2,490)	(4,774)
Net cash from operating activities		10,527	31,457
Cash flows from investing activities			
Investment expenditure on property, plant and equipment and intangible assets		(716)	(475)
Interest received		347	-
Net cash from investing activities		(369)	(475)
Cash flows from financing activities			
Proceeds from loans		-	(1,166)
Repayments of loans		-	(24,226)
Repayment of lease liabilities		(1,498)	(1,351)
Interest paid on loans		-	(1,612)
Interests paid on leases		(365)	(179)
Net cash from financing activities		(1,863)	(28,534)
Change in net cash and cash equivalents		8,295	2,448
Balance sheet change in cash and cash equivalents, including:			
- change in cash due to exchange rate differences		(8)	(18)
Cash and cash equivalents at the beginning of the period	8	49,107	1,386
Cash and cash equivalents at the end of the period	8	57,394	3,816

1. Summary of significant accounting policies

1.1 Basic for preparation

These condensed interim stand-alone financial statements have been prepared in accordance with IAS 34 „Interim Financial Reporting” approved by the EU.

They should be read jointly with the annual stand-alone financial statements for the year ended 31 December 2023 prepared in accordance with International Financial Reporting Standards (called „IFRS”) and interpretations issued by International Accounting Standards Board approved by European Union (called „EU”).

Going concern

These condensed interim stand-alone financial statements have been prepared on the assumption that the Company will continue as going concerns in the foreseeable future

1.2 Accounting policies

The accounting policies are consistent with those applied in the annual financial statements for the financial year ended 31 December 2023, except for the adoption of new and amended standards as of 1 January 2024, which are described below.

The new or changed standards and interpretations that are applicable for the first time in 2024 do not have a material impact on the Company's interim condensed stand-alone financial statements.

a) **New standards, interpretations and amendments to existing standards effective in 2024**

- **Amendment to IAS 1 "Presentation of financial statements"**

The change clarifies that as at the balance sheet date, the entity does not take into account covenants that will have to be met in the future when considering the classification of liabilities as long- or short-term. However, the entity should disclose information about these covenants in the explanatory notes to the financial statements.

This change had no impact on the Company's financial statements.

- **Amendment to IAS 1 "Presentation of financial statements"**

The IAS Council clarified the rules for classifying liabilities as long- or short-term primarily in two aspects:

- it was clarified that the classification depends on the rights that the entity has as at the balance sheet date,
- management's intentions to accelerate or delay payment of the obligation are not taken into account.

This change had no impact on the Company's financial statements.

- **Amendment to IFRS 16 "Leases"**

The amendment clarifies the requirements for the valuation of leasing liabilities arising from sale and leaseback transactions. It is intended to prevent incorrect recognition of the result on the transaction in the part relating to the retained right of use when leasing payments are variable and do not depend on the index or rate.

This change had no impact on the Company's financial statements.

b) New standards, interpretations and changes to existing standards that are not yet in force and have not been previously applied by the Company

In 2024, after the date of publication of the annual financial statements, i.e. after 28 March 2024, no changes, new standards or interpretations were published.

In these condensed separate financial statements, the Company has not decided to early apply any standard, interpretation or amendment that has been published but has not yet entered into force in the light of European Union regulations.

2. Seasonality

The Company's offer is addressed to the consumer market, which may be sensitive to seasons and weather conditions. Despite this, seasonality is practically non-existent at present. This is the result of the implemented policy of introducing a new assortment to the offer, adapted to the seasons, as well as the result of continuous improvement of logistics processes.

3. Property, plant and equipment

	31 March 2024 unaudited	31 December 2023
Land	2,907	2,907
Buildings and structures	7,109	7,215
Plant and equipment	3,237	3,301
Vehicles	1,331	1,174
Other	3,082	3,103
Total	17,666	17,700
Property, plant and equipment not transferred for use	732	602
Total property, plant and equipment	18,398	18,302

In the item "other", the Company mainly includes storage and display shelves as well as furniture for offices and warehouses.

In the period from 1 January to 31 March 2024, the gross value of tangible fixed assets increased by PLN 985 thousand, mainly as a result of reclassification of means of transport from right-of-use assets, in connection with buyout after the leasing period. In addition, the Company purchased IT equipment and exhibition shelves.

Depreciation of property, plant and equipment recognized in the financial result amounted to PLN 605 thousand.

4. Right-of-use assets

	31 March 2024 unaudited	31 December 2023
Land	1,764	1,770
Buildings and structures	14,251	15,335
Plant and equipment	1,141	1,204
Vehicles	1,185	1,539
Total	18,341	19,848

In the first quarter of 2024, the Company did not enter into new lease agreements. Gross value of the right-of-use assets increased by PLN 189 thousand, mainly as a result of:

- indexation of fees in accordance with agreements concluded in previous years, as a result of which assets were increased by PLN 103 thousand,
- reclassification to fixed assets as a result of the buyout made after the end of the lease period in accordance with the terms of the contract, as a result of which the assets were reduced by PLN 292 thousand.

Depreciation of right-of-use assets recognized in the financial result amounted to PLN 1,603 thousand.

5. Interests in subsidiaries

As at 31 March 2024 and 31 December 2023, the Company held shares in the following entities:

	Country	Type of equity link	% of shares and votes held	Value of shares
31 March 2024				
Toya Romania S.A.	Romania	Subsidiary	99.99	1,885
Yato Tools (Shanghai) Co. Ltd	China	Subsidiary	100.00	20,746
Yato Tools (Jiaying) Co. Ltd.	China	Subsidiary	100.00	48,172
				70,803
31 December 2023				
Toya Romania S.A.	Romania	Subsidiary	99.99	1,885
Yato Tools (Shanghai) Co. Ltd.	China	Subsidiary	100.00	20,746
Yato Tools (Jiaying) Co. Ltd.	China	Subsidiary	100.00	48,172
				70,803

6. Inventory

	31 March 2024 unaudited	31 December 2023
Goods for resale at warehouse and in transit	201,362	204,077
Asset for expected returns from customers	395	378
Total inventory (per balance sheet)	201,757	204,455
Revaluation write-down for goods for resale	5 960	2,963
Total inventory (gross)	207,717	207,418

Creation and reversal of inventory write-down is recognized in profit or loss and presented as "cost of goods sold".

In accordance with IFRS 15, in the item "assets for expected returns from customers", the Company presents the value of goods which may be expected to be returned from customers after the end of the reporting period.

The table below presents changes in revaluation write-downs on inventory:

	2024	2023
As at 1 January	2,963	2,141
Increase	2,997	822
As at 31 March / 31 December	5,960	2,963

7. Trade and other short-term receivables

	31 March 2024 unaudited	31 December 2023
Trade receivables from related parties	23	1,600
Trade receivables from third parties	44,393	32,429
Total trade receivables	44,416	34,029
Other receivables from third parties	54	52
Advances paid to related parties	1,394	-
Advances paid to third parties	5	-
Deferred expenses	2,188	1,114
Total gross receivables	48,057	35,195
Allowance for the expected credit losses on trade receivables	(1,919)	(1,869)
Impairment write-downs of other receivables	(36)	(36)
Total net receivables	46,102	33,290

Changes in the allowance for the expected credit losses of trade receivables are presented in the table below:

	2024	2023
Opening balance of the allowance for the expected credit losses	1,869	1,950
Write-offs included in the financial result	50	-
Reversal of unused write-offs	-	(81)
As at 31 March / 31 December	1,919	1,869

Recognition and reversal of impairment losses on receivables has been included in the item: "expected credit losses".

8. Cash and cash equivalents

	31 March 2024 unaudited	31 December 2023
Cash in hand and at bank	57,394	49,107
Total cash and cash equivalents	57,394	49,107

9. Additional explanation to the cash flow statement

Reconciliation of changes in balance sheet items as shown in the statements of financial position and in the statements of cash flows:

3 months ended on 31 March 2024		Adjustments	
Balance sheet change		Measurement of cash in foreign currencies	Change in statement of cash flows
Change in trade and other receivables	(12,812)	-	(12,812)
Change in inventories	2,698	-	2,698
Change in provisions	272	-	272
Change in trade and other payables	5,807	-	5,807
Change in employee benefit liabilities	1,914	-	1,914
Change in cash	8,287	8	8,295

3 months ended on 31 March 2023		Adjustments	
Balance sheet change		Measurement of cash in foreign currencies	Change in statement of cash flows
Change in trade and other receivables	16,646	-	16,646
Change in inventories	3,182	-	3,182
Change in provisions	(44)	-	(44)
Change in trade and other payables	3,742	-	3,742
Change in employee benefit liabilities	(3,743)	-	(3,743)
Change in cash	2,430	18	2,448

10. Share capital

As at 31 March 2024, the share capital amounts to PLN 7,504,222.60 and comprises 75,042,226 shares with a par value of PLN 0.1 each.

In the period from 1 January to 31 March 2024, there were no changes in the amount of share capital.

11. Earnings per share

	3 months ended 31 March	
	2024	2023
	unaudited	unaudited
Net profit	10,431	9,941
Weighted average number of ordinary shares ('000)	75,042	75,042
Basic earnings per share from continuing operations (PLN)	0.14	0.13
Net profit attributable to ordinary shareholders used to calculate diluted earnings per share	10,431	9,941
Adjusted weighted average number of ordinary shares used for calculating diluted earnings per share ('000)	75,042	75,042
Diluted earnings per share from continuing operations (PLN)	0.14	0.13

Basic earnings per share were calculated by dividing the net profit by the weighted average number of ordinary shares during the period.

In the 1st quarter of 2024 and 2023 the Company had no potential dilutive instruments.

12. Trade and other payables

	31 March 2024	31 December 2023
	unaudited	
Trade payables to related parties	3,085	3,809
Trade payables to third parties	18,015	15,234
Total trade payables	21,100	19,043
Tax liabilities	8,865	5,283
Liability due to expected goods returns	618	589
Prepayments received	20	66
Other payables to third parties	230	45
Total other current payables	9,733	5,983
Total	30,833	25,026

13. Loans and borrowings liabilities

As at 31 March 2024 and 31 December 2023, the Company has no debt under bank loans.

The terms of the concluded bank loan agreements are presented in the table below:

Object and value of agreement	Name of the Bank	Loan amount as per agreement as at 31.03.2024	Current interest rate	Date of expiry
1. Overdraft facility agreement No BDK/KR-RB/000054601/0641/10 of 22 December 2010	Bank Handlowy w Warszawie S.A.	70,000	WIBOR 1 M + bank's margin	13 December 2024
2. Overdraft credit facility agreement No 09/030/19/Z/VV	mBank S.A. with its registered office in Warsaw	60,000	WIBOR ON + bank's margin	27 March 2025
3. Overdraft credit facility agreement No WAR/8833/20/326/CB	BNP Paribas Bank Polska S.A. with its registered office in Warsaw	25,000	WIBOR 1 M + bank's margin	15 November 2024
Total liabilities, of which:		155,000		
– short-term portion		155,000		
– long-term portion		-		

Loan agreements provide that throughout the entire loan period, the borrower undertakes to maintain the capitalization ratio and debt ratio at the agreed level and to maintain inflows to bank accounts in the agreed amount, in accordance with the terms of the loan agreements.

14. Changes in estimates

14.1 Inventory write-down

In the 1st quarter of 2024, the Company increased the impairment loss on inventories by PLN 2,997 thousand. PLN The need to significantly increase impairment losses in the first quarter of 2024 resulted from unstable demand on one of the European markets.

In the 1st quarter of 2023, the Company has increased the inventory write-down by the amount of PLN 127 thousand.

14.2 Write-off for expected credit losses on receivables

In the 1st quarter of 2024, the Company has increased the trade receivables write-down by the amount of PLN 50 thousand.

In the 1st quarter of 2023, the Company has decreased the trade receivables write-down by the amount of PLN 68 thousand.

14.3 Provision for guarantees

In the 1st quarter of 2024, the Company has increased the guaranty provision by the amount of PLN 272 thousand.

In the 1st quarter of 2023, the Company has decreased the guaranty provision by the amount of PLN 44 thousand.

14.4 Employee benefits obligations

In the 1st quarter of 2024, the Company has increased the unused holidays provision by the amount of PLN 355 thousand.

In the 1st quarter of 2023, the Company has increased the unused holidays provision by the amount of PLN 288 thousand.

14.5 Deferred tax

Deferred tax assets were increased in the first quarter of 2024 by PLN 1,353 thousand, mainly as a result of created provisions and write-offs as at 31 March 2024.

Deferred tax assets were reduced in the first quarter of 2023 by PLN 234 thousand, mainly as a result of using the provisions created as at 31 December 2022.

According to the Management Board, there is no risk that the deferred tax asset could not be realized.

15. Fair value

Book value of financial assets and liabilities approximates their fair value. In the first quarter of 2024, there were no changes in the business conditions and economic situation that would affect the fair value of financial assets and liabilities.

16. Sales revenue

	2024 unaudited	3 months ended 31 March 2023 unaudited
Sales of goods for resale	145,599	135,484
Total sales revenue	145,599	135,484

The geographical structure of sales revenue has been presented below:

	3 months ended		3 months ended	
	31 March 2024		31 March 2023	
	Sales revenue	Share	Sales revenue	Share
Ukraine	9,816	6.8%	7,673	5.7%
Hungary	7,265	5.0%	6,456	4.8%
Belarus	5,011	3.4%	4,680	3.5%
Baltic countries	4,688	3.2%	5,142	3.8%
Czech Republic	3,822	2.6%	2,949	2.2%
Moldavia	2,656	1.8%	1,725	1.3%
Romania	2,070	1.4%	7,069	5.2%
Greece	1,781	1.2%	2,068	1.5%
Bulgaria	1,193	0.8%	1,545	1.1%
Germany	982	0.7%	1,535	1.1%
Croatia	941	0.7%	928	0.7%
Europe – other EU countries	1,245	0.9%	1,793	1.3%
Europa – other non-EU countries	3,038	2.1%	3,694	2.7%
Other continents	321	0.2%	750	0.5%
Total export	44,829	30.8%	48,007	35.4%
Poland	100,770	69.2%	87,477	1.8%
Total sales revenue	145,599	100.0%	135,484	37.2%

17. Costs by type and cost of goods for resale sold

	3 months ended 31 March	
	2024	2023
	unaudited	unaudited
Amortisation and depreciation	2,385	2,269
Material and energy consumption	2,005	2,064
Third-party services, including:	9,271	5,662
<i>costs of transportation</i>	2,310	1,689
<i>logistics services</i>	-	201
<i>IT, telecommunications and postal costs</i>	615	552
<i>online sales platform access services</i>	3,119	1,413
<i>service charges for space lease agreements</i>	649	670
<i>legal, audit and consulting costs</i>	1,080	262
<i>other third-party services</i>	1,498	875
Taxes and fees	585	559
Costs of employee benefits, including:	13,683	11,628
<i>Salaries</i>	11,393	9,648
<i>Social security</i>	1,958	1,691
<i>Employee capital plans</i>	46	45
<i>Other</i>	286	244
Other costs by type	1,342	1,754
Value of goods for resale and materials sold	103,599	97,664
Total costs by type and value of goods for resale sold	132,870	121,600
Selling costs, including:	23,129	18,582
<i>amortisation and depreciation</i>	1,974	1,896
<i>costs of employee benefits</i>	9,316	7,839
Administrative expenses, including:	6,142	5,354
<i>amortisation and depreciation</i>	411	373
<i>costs of employee benefits</i>	4,367	3,789
Value of goods for resale sold	103,599	97,664
Costs by type and value of goods sold	132,870	121,600

18. Financial guarantees granted and received

As at 31 March 2024, the Company had the following guarantees:

No	Counterparty	Type of guarantee	Subject matter and value	Date of expiry
1	Bank Handlowy w Warszawie S.A.	Guarantee of payment for the lease of warehouses in Nadarzyn	Bank guarantee in the amount of EUR 613,352	28 February 2025
2	Sopockie Towarzystwo Ubezpieczeń ERGO Hestia S.A.	Contract on granting a customs debt guarantee	The security for repayment of custom debts, taxes and other fees associated with goods released into free circulation based on customs declaration, in the amount of PLN 270,000	31 December 2024

On 12 June 2019, TOYA S.A. granted a guarantee of payment of liabilities arising from warehouse and office rental agreement by Toya Romania S.A. to the landlord up to the amount of EUR 115 thousand. The lease agreement was concluded on 8 February 2019 and covers a period of 10 years, with the option of changing this period. The warranty expires 3 months after the date of termination of the lease.

On 29 March 2024, TOYA S.A. concluded a surety agreement with Citibank (China) Company Limited-Shanghai Branch, based in the People's Republic of China, in order to secure the repayment of the bank's receivables arising from the conclusion by YATO TOOLS (Shanghai) Co., Ltd of an agreement for a short-term working capital loan, in the amount of CNY 60,000 thousand. The contract assumes a guarantee from TOYA S.A. for the liabilities of the subsidiary up to the amount of CNY 72,000 thousand. The guarantee was granted until 31 August 2025.

19. Contingent assets and liabilities

As at 31 March 2024, the Company had no significant contingent liabilities or contingent assets

20. Transactions with related entities

In the periods from 1 January to 31 March 2024 and 2023, the Company effected transactions with the following related parties:

- Toya Romania SA – subsidiary,
- Yato Tools (Shanghai) Co., Ltd. – subsidiary,
- Yato Tools (Jiaxing) Co., Ltd. – subsidiary,
- Toyota Katowice Sp. z o.o. - entity related through key management personnel,
- Grzegorz Pinkosz – President of the Management Board – key management personnel,
- Maciej Lubnauer – Vice-President of the Management Board – key management personnel,
- Robert Borys – Vice-President of the Management Board – key management personnel,
- Piotr Mondalski – President of the Supervisory Board – key management personnel,
- Jan Szmidt – Vice-President of the Supervisory Board – key management personnel,
- Dariusz Górka – Member of the Supervisory Board – key management personnel,
- Grzegorz Maciąg – Member of the Supervisory Board – key management personnel,
- Michał Kobus - Member of the Supervisory Board – key management personnel,
- Wojciech Bartłomiej Papierak – key management personnel,
- Beata Szmidt - Member of the Supervisory Board – key management personnel.



Statement of transactions and balances with related entities:

	Trade and other receivables	Prepayments paid	Trade and other payables	Revenue from sales of goods and services and other sales	Purchase of goods and services
	31.03.2024			1.01.2024 – 31.03.2024	
Subsidiaries, including:	18	1,394	3,085	2,093	74,628
<i>TOYA Romania S.A.</i>	18	-	67	2,093	-
<i>Yato Tools (Shanghai) Co. Ltd.</i>	-	-	-	-	9,508
<i>Yato Tools (Jiaxing) Co. Ltd.</i>	-	1,394	3,018	-	65,120
Entities related through key management personnel	5	-	-	27	-
Total	23	1,394	3,085	2,120	74,628
	31.12.2023			1.01.2023 – 31.03.2023	
Subsidiaries, including:	1,592	-	3,809	7,102	70,362
<i>TOYA Romania S.A.</i>	1,592	-	-	7,094	-
<i>Yato Tools (Shanghai) Co. Ltd.</i>	-	-	39	8	12,280
<i>Yato Tools (Jiaxing) Co. Ltd.</i>	-	-	3,770	-	58,082
Entities related through key management personnel	8	-	-	19	-
Total	1,600	-	3,809	7,121	70,362

Related party transactions are entered into on arm's length terms in the course of the Company's day-to-day operations.

Management Board remuneration

The remuneration and benefits paid or payable to the Company's key management personnel are as follows:

	3 months ended 31 March	
	2024	31 March 2023
Remunerations and benefits under employment contracts and appointment contracts - Management Board	296	2 410
Social insurance (ZUS) costs borne by the Company - Management Board	3	3
Remunerations for positions held - Supervisory Board	222	153
Social insurance (ZUS) costs borne by the Company - Supervisory Board	40	27
Employee Capital Plans (PPK) financed by the Company	2	1

21. Material events subsequent to the end of reporting period

No significant events occurred after 31 March 2024.

Management Board of Toya S.A.

Date	Name and surname	Position	Signature
10 May 2024	Grzegorz Pinkosz	President of the Management Board	
10 May 2024	Maciej Lubnauer	Vice-President of the Management Board	
10 May 2024	Robert Borys	Vice-President of the Management Board	

Person responsible for bookkeeping

Date	Name and surname	Position	Signature
10 May 2024	Iwona Banik	Chief Accountant	