

Interim Condensed Consolidated Financial Statements

for the period **from January 1 to June 30, 2025**

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I. General information

1. Parent company details

The parent company of the SECO/WARWICK Capital Group (hereinafter: Capital Group, Issuer's Capital Group, Group) is SECO/WARWICK Spółka Akcyjna with its registered office in Świebodzin (hereinafter: Issuer, Company, Parent Company). The Company was established on January 2, 2007, pursuant to a decision of the District Court in Zielona Góra, 8th Commercial Division of the National Court Register, which entered the Company in the register of entrepreneurs of the National Court Register under KRS number 0000271014.

Name of the reporting entity or other identification data: SECO/WARWICK S.A.

Explanation of changes in the name of the reporting entity or other identification data that have occurred since the end of the previous reporting period: no changes have occurred in the current period**.**

Headquarters: Poland**,** 66-200 Świebodzin, ul. Sobieskiego 8

Legal form of the entity: Joint-stock company

Country of registration: Poland

Name of the reporting entity: SECO/WARWICK S.A.

Address of the entity's registered office: 66-200 Świebodzin, ul. Sobieskiego 8

Principal place of business: Poland

Description of the nature and main scope of activity: The SECO/WARWICK Group's activity is divided into four main product groups: vacuum furnaces, aluminum heat treatment lines and CAB lines, melting furnaces, and after-sales services.

Name of the parent company: SECO WARWICK S.A.

Name of the top-level parent company of the group: SECO WARWICK S.A.

REGON statistical number: 970011679

Main activity according to PKD (Polish Classification of Activities):

28.21.Z	Manufacture of furnaces, furnaces, and furnace burners,
25	Manufacture of fabricated metal products, except machinery and equipment
33	Repair, maintenance, and installation of machinery and equipment
46	Wholesale trade, excluding motor vehicles
49	Land transport and pipeline transport
52	Warehousing and transport support services
62	Software and IT consulting activities and related activities
71	Architectural and engineering activities; technical testing and analysis
72	Scientific research and development
64.20,Z	Financial holding activities

The SECO/WARWICK Group is a manufacturer of thermal processing equipment. Thanks to its research and development center equipped with industrial furnaces, as well as cooperation with academic technical centers, it offers innovative solutions tailored to customer needs.

The SECO/WARWICK Group consists of seven companies operating on three continents. The individual companies work and implement technological processes for manufacturers in the steel, titanium, and aluminum industries, as well as in aluminum recycling, forging, automotive, aerospace, commercial hardening, HVAC/R, electronics, wind energy, medical equipment, nuclear, and other industries.

2. Duration of the Capital Group

SECO/WARWICK S.A. and the other entities of the Capital Group were established for an indefinite period, except for SECO/WARWICK Retech Thermal Equipment Manufacturing Tianjin Co., Ltd., which was established for a fixed period of 27 years, i.e., until May 5, 2037.

The financial statements of all subsidiaries were prepared for the same reporting period as the financial statements of the parent company, using consistent accounting principles.
The financial year of the parent company and the companies comprising the Group is the calendar year.

3. Periods presented

These interim condensed financial statements of the Company cover the 3- and 6-month periods ended June 30 June 2025.

Comparative data is presented:

- as at December 31, 2024 for the consolidated statement of financial position,
- for the period from January 1, 2024 to June 30, 2024 and from April 1, 2024 to June 30, 2024 for the interim consolidated statement of comprehensive income,
- for the period from January 1, 2024 to June 30, 2024 for the interim consolidated cash flow statement,
- for the period from January 1, 2024 to June 30, 2024 for the interim consolidated statement of changes in equity.

4. Composition of the governing bodies of the parent company SECO/WARWICK S.A.

As at the date of approval for publication of these financial statements, June 30, 2025, and as at December 31 December 2024, the Management Board of SECO/WARWICK S.A. consisted of:

- Sławomir Woźniak - President of the Management Board
- Bartosz Klinowski – Member of the Management Board
- Earl Good – Member of the Management Board
- Piotr Walasek – Member of the Management Board

As at the date of approval for publication of these financial statements, June 30, 2025, and as at December 31, 2024, the Supervisory Board of SECO/WARWICK S.A. consisted of:

- Andrzej Zawistowski – Chairman of the Supervisory Board
- Maciej Karnicki – Vice-Chairman of the Supervisory Board
- Jeffrey Boswell – Member of the Supervisory Board
- Marcin Murawski – Member of the Supervisory Board
- Robert Jasiński – Member of the Supervisory Board

Changes in the composition of the Management Board:

From January 1, 2025, until the date of publication of these financial statements, there were no changes in the composition of the Management Board of SECO/WARWICK S.A.

Changes in the composition of the Supervisory Board:

From January 1, 2025, to the date of publication of these financial statements, there were no changes in the composition of the Supervisory Board
of SECO/WARWICK S.A.

5. Audit firm

KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.
ul. Inflancka 4A
00-189 Warsaw

6. Significant shareholders of the parent company

As at June 30, 2025, the shareholders holding more than 5% of votes at the General
of the Company were:

Shareholders	Number of shares	Share in totalnumber of votes the General Meeting (%)	Share in capital share capital	Number votes at (%)
SW Holding	3,387,139	33.87	3,387,139	33.87
Spruce Holding Limited Liability Company (USA)	1,091,952	10.92	1,091,952	10.92
Nationale-Nederlanden Open Pension Fund	600,000	6.00	600,000	6.00
Generali Open Pension Fund*	640,798	6.41	640,798	6.41
PKO BP Bankowy Open Pension Fund	506,504	5.07	506,504	5.07

* formerly: NNLife Open Pension Fund

The data contained in the table has been provided on the basis of notifications from shareholders received by the Company pursuant to Article 69 of the Act on Public Offering.

Description of changes in significant shareholdings in the Company from the date of publication of the previous interim report, i.e. the report for the first quarter of 2025, to the date of publication of this report:

As a result of the sale of some shares, as at the date of publication of the report, the shareholders NATIONALE-NEDERLANDEN POWSZECHNE TOWARZYSTWO EMERYTALNE SPÓŁKA AKCYJNA and Spruce Holding LLC hold less than 5% of the total number of votes at the General Meeting.

Shareholders holding, directly or indirectly through subsidiaries, at least 5% of the total number of votes at the General Meeting as of the date of submission of the report for the first half of 2025, i.e. September 11, 2025.

Shareholders	Number of shares	Share in capital of share capital (%)	Number of votes	Share in the total number of votes at GMS (%)
SW Holding	3,387,139	33.87	3,387,139	33.87
Generali Open Pension Fund*	640,798	6.41	640,798	6.41
PKO BP Bankowy Open Pension Fund	506,504	5.07	506,504	5.07

As of the date of publication of this report, i.e. September 11, 2025, SECO/WARWICK S.A. holds 2,759,093 treasury shares , representing 27.59% of the share capital. The Company does not exercise voting rights attached to its own shares.

7. Subsidiaries

SECO/WARWICK S.A. is the parent company of the following subsidiaries:

- SECO/WARWICK Corporation,
- Retech Systems LLC,
- SECO/WARWICK Retech Thermal Equipment Manufacturing Tianjin Co. Ltd.,
- SECO/WARWICK Germany GmbH,
- SECO/WARWICK Services Sp. z o.o.,
- SECO/WARWICK of Delaware Inc,
- Retech Tianjin Holdings LLC,
- SECO/WARWICK INDIA PVT. Ltd.,
- SECO/WARWICK INDIA Pvt. Ltd. (DUBAI BRANCH) (UAE).

Entity under joint control:

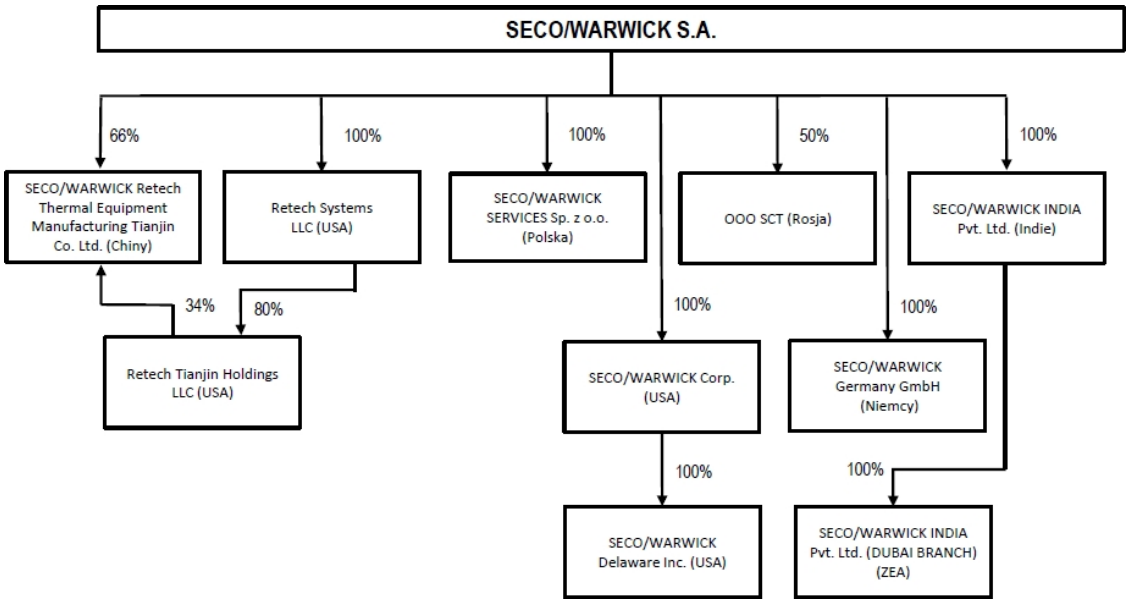
- OOO SCT (Solnechnogorsk), Russia, in which the parent company holds 50% of shares entitling it to 50% of votes at the company's general meeting.

Changes in the composition of the Group:

On April 30, 2025, SECO WARWICK USA HOLDING LLC, SECO VACUUM TECHNOLOGIES LLC, and SECO/WARWICK Corporation were effectively merged into a single company called SECO/WARWICK Corporation.

In the second quarter of 2025, the parent company lost control over its subsidiary SECO/WARWICK Rus, based in Russia, due to the inability to exercise control. Therefore, in accordance with IFRS 10 "Consolidated Financial Statements," this company was excluded from consolidation.

8. Graphical presentation of the Capital Group



II. Approval of the financial statements

These interim condensed consolidated financial statements were approved for publication by the Management Board of the parent company on September 11, 2025.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(data prepared in PLN thousand)

	note	for the period 01.01.2025- June 30, 2025 (unaudited)	for the period 01.01.2024- June 30, 2024 (unaudited)	for the period 04/01/2025- June 30, 2025 (unaudited)	for the period 04/01/2024 June 30, 2024 (unaudited)
Revenue from sales	1.2	**387,316**	**361,587**	**200,415**	**179,501**
Cost of sales	2	**-306,891**	**-290,941**	**-158,191**	**-145,578**
Gross profit on sales		**80,425**	**70,646**	**42,223**	**33,923**
Other operating income	4	1,684	921	806	157
Costs of sales	3	-23,871	-22,357	-11,418	-11,780
General and administrative expenses	3	-37,401	-35,537	-19,337	-18,500
Impairment of receivables and contract assets	4	-157	5	-195	-44
Other operating expenses	4	-1,439	-1,745	-1,200	-1,109
Operating profit		**19,241**	**11,933**	**10,879**	**2,647**
Financial income	5	4,421	4,373	1,521	2,270
Financial expenses	5	-8,281	-4,137	-4,057	-1,728
Share in net profit (loss) Associates accounted for using the equity method		-105	-148	-93	-65
Gross profit		**15,276**	**12,021**	**8,251**	**3,124**
Income tax	6	-2,874	-2,289	-1,545	127
Net profit (loss) from continuing operations continuing operations		12,401	9,732	6,706	3,251
Profit (loss) from operations discontinued	29	-2,632	-	-2,632	-
Net profit		**9,769**	**9,732**	**4,074**	**3,251**
Net profit (loss) attributable to					
Shareholders of the of the parent company		9391	9,501	3,849	3,181
Non-controlling shareholders		378	231	223	70

The statement of comprehensive income should be analyzed together with the notes and additional information.

		for the period 01.01.2025-30.06.2025	for the period 01.01.2024-June 30, 2024	for the period 01.04.2025-June 30, 2025	for the period 01.04.2024-June 30, 2024
Profit		**9,769**	**9,732**	**4,074**	**3,251**
OTHER COMPREHENSIVE INCOME:					
Items not reclassifiable to profit/(loss) in subsequent periods:		-	-	-	-
Items that may be reclassified to profit/(loss) in subsequent reporting periods:		**-10,122**	**-416**	**-5,499**	**-362**
Valuation of derivatives hedging cash flows	15	792	-1,085	-51	-453
Foreign exchange differences on translation foreign entities		-10,913	669	-5,447	91
Other comprehensive income, before tax		**-10,122**	**-416**	**-5,499**	**-363**
Income tax on other comprehensive income		**-**	**206**	**10**	**86**
Income tax related to components of other comprehensive income that will be reclassified to profit or loss		-150	206	10	86
Other comprehensive income, total		**-10,272**	**-210**	**-5,490**	**-277**
Total comprehensive income		**-503**	**9,521**	**-1,415**	**2,974**
Total revenue attributable to					
Controlling shareholders		-414	9,669	-414	3,278
Shareholders not exercising control		-88	-148	-996	-304
EARNINGS PER SHARE:					
- basic earnings per share		1.10	1.03	1.10	0.29
- diluted earnings per share		1.08	1.01	0.44	0.29
- basic earnings per share from continuing operations from continuing operations attributable to shareholders of the of the parent company		1.10	1.03	0.47	0.29
- diluted from operating profit continuing operations attributable to to the shareholders of the of the parent company		1.08	1.01	0.44	0.29

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(data prepared in PLN thousand)

	Note	June 30, 2025 (unaudited)	December 31, 2024 (audited)
ASSETS			
Property, plant, and equipment	8	97,429	92,851
Assets arising from rights of use	9	39,866	46,583
Goodwill	13	31,748	31,748
Intangible assets	10	52,133	54,287
Trade Trade and other receivables long-term		4,105	1,916
Other financial assets		35	3
Deferred income tax assets		321	1,691
Non-current assets		**225,637**	**229,079**
Inventories	11	81,629	85,892
Trade receivables and and other short-term receivables	16	103,304	111,046
Income tax receivables		2,420	4,361
Other financial assets		6,064	1,764
Other non-financial assets		6,254	5,079
Contract assets	14	138,972	118,983
Cash and cash equivalents		98,449	145,837
Current assets other than those held for sale		**437,092**	**472,962**
Assets classified as held for sale		-	**6,811**
Current assets		**437,092**	**479,773**
TOTAL ASSETS		**662,728**	**708,853**

The statement of financial position should be analyzed together with the notes and additional information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(data prepared in PLN thousand)

	Note	June 30, 2025 (unaudited)	December 31, 2024 (audited)
LIABILITIES			
Share capital		3,557	3,556
Reserve capital from the surplus of the issue price over the nominal value of shares		78,666	78,666
Treasury shares		-18,536	-18,536
Other reserve capital		43,635	57,802
Retained earnings		144,971	139,702
Equity attributable to shareholders of the parent company		**252,292**	**261,190**
Non-controlling interest		**2,613**	**2,698**
Equity		**254,905**	**263,888**
Loans and borrowings	18	42,116	23,436
Lease liabilities		33,659	39,337
Derivative financial instruments	15	-	20
Deferred income tax provision		8,049	6,292
Employee benefit liabilities	23	1,351	1,445
Other long-term liabilities		1,121	1,723
Long-term liabilities		**86,295**	**72,253**
Loans and borrowings	18	63,472	62,100
Lease liabilities		7,880	8,062
Derivative financial instruments	15	-	163
Other financial liabilities		1,195	1,163
Trade and other liabilities		92,024	80,045
Employee benefit obligations	23	23,585	31,284
Other provisions	22	10,373	11,485
Contractual liabilities	14	122,998	174,157
Current liabilities excluding those related to assets held for sale		**321,528**	**368,459**
liabilities related directly to fixed assets classified as held for sale		-	**4,253**
classified as held for sale			
Current liabilities		**321,528**	**372,712**
Total liabilities		**407,823**	**444,965**
TOTAL LIABILITIES		**662,728**	**708,853**

The statement of financial position should be analyzed together with the notes and additional information

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	for the period 01.01.2025- June 30, 2025 (unaudited)	for the period 01.01.2024- 06/30/2024 (unaudited)
Cash flows from operating activities		
Gross profit	**15,276**	**12,021**
Total adjustments:	**-53,754**	**-10,623**
Share in net (gains)/losses of jointly controlled entity	105	148
Depreciation	10,677	8,645
Foreign exchange (gains)/losses	-9,701	-266
Adjustments for financial (income)/expenses	4,400	3,545
(Profit)/loss on investment activities	-281	235
Other adjustments	133	55
Changes in balance sheet items:		
Change in provisions	-5,372	-1,627
Change in inventories	266	2,318
Change in receivables	-3,474	28,753
Change in current liabilities, except for liabilities financial	16795	6886
Change in contractual assets and liabilities	-65,641	-59,591
Change in foreign currency derivatives	-1,915	-825
Adjustments for share-based payments	253	1,102
Cash revenue from operating activities	**-38,478**	**1,398**
Income tax refunded/(paid)	233	-1,066
Net cash from operating activities	**-38,245**	**332**
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sale of intangible assets and property, plant and equipment	8	70
Other proceeds from financial assets	-	13
Expenditures	**-17,411**	**-19,949**
Capital expenditures on intangible assets, property, plant, and equipment	-15,490	-19,949
Expenditures on the acquisition of financial assets	-1,921	-
Net cash from investing activities	**-17,403**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loans taken out	28,066	39,038
Grants received	244	-
Dividends and other payments to owners	-8,735	-8,616
Repayment of loans	-4,269	-6,880
Payments of liabilities under lease agreements	-3,238	-2,793

Interest	-4,377	-3,550
Net cash from financing activities	**7,692**	**17,199**
Increase (decrease) in cash and cash equivalents before the effects of exchange rate changes	**-47,956**	**-2,332**
Effects of exchange rate changes on cash and cash equivalents	**568**	**-31**
Increase (decrease) in cash and cash equivalents	-47,388	-2,364
Cash and cash equivalents at the beginning of the period	**145,837**	**75,736**
Cash and cash equivalents at the end of the period	**98,449**	**73,372**

The cash flow statement should be analyzed together with the notes and additional information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(data prepared in PLN thousand)

	Share share capital	Reserve capital from the surplus the issue price over the nominal value of shares	Treasury shares	Other reserve capital	Retained earnings / uncovered losses	**Shareholders' equity of the parent company**	Non-controlling shareholders' equity	**Total equity**
Note								
Equity as at January 1, 2025	**3,557**	**78,666**	**-18,536**	**57,801**	**139,701**	**261,190**	**2,698**	**263,888**
Profit/loss for the period	-	-	-	-	9,391	**9,391**	378	9,769
Other comprehensive income	-	-	-	-9,806	0	**-9,806**	-466	-10,272
Total comprehensive income for the period	**-**	**-**	**-**	**-9,806**	**9,391**	**-415**	**-88**	**-503**
Valuation of the management option program	-	-	-	253	-	253	-	253
Dividend payment	-	-	-	-	-8,732	-8,732	-	-8,732
Release of reserve capital created on for the purpose of acquiring own shares	-	-	-	-27,615	27,615	-	-	-
Creation of reserve capital for implementation repurchase of own shares	-	-	-	23,000	-23,000	-	-	-
Changes in equity	-	-	-	-14,168	5,274	-8,894	-88	-8,982
Equity as at June 30, 2025 (unaudited)	**3557**	**78,666**	**-18,536**	**43,633**	**144,975**	**252,295**	**2,610**	**254,905**
Equity as at January 1, 2024	**3,556**	**78,666**	**-20,268**	**57,022**	**123,991**	**242,967**	**2,675**	**245,642**
Profit for the period	-	-	-	-	9,501	**9,501**	231	**9,732**
Other comprehensive income	-	-	-	168	0	**168**	-379	**-211**
Total income for the period	**-**	**-**	**-**	**168**	**9,501**	**9,669**	**-147**	**9,521**
Dividend payment	-	-	-	-	-8,616	**-8,616**	-	**-8,616**
Creation of reserve capital for implementation repurchase of own shares	-	-	-	1,102	-	**1,102**	-	**1,102**
Other						**-**		**-**
Changes in equity	-	-	-	1,270	885	**2,155**	-147	**2,007**
Equity as at June 30, 2024 (unaudited)	**3556**	**78,666**	**-20,268**	**58,292**	**124,876**	**245,122**	**2,527**	**247,649**

~~The statement of changes in equity should be analyzed together with the notes and additional information.~~



Additional information to the Interim Condensed Consolidated Financial Statements for the 6 months ended

June 30, 2025

BASIS FOR PREPARATION OF THE REPORT

I. Basis for preparation

These interim condensed consolidated financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and the Regulation of the Minister of Finance of March 29, 2018 on current and periodic information provided by issuers of securities and conditions for recognizing information required by the laws of a non-member state as equivalent ("Regulation").

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements prepared in accordance with EU IFRS and should be read in conjunction with the Group's consolidated financial statements for the year ended December 31, 2024, approved for publication on April 23, 2025.

II. Going concern assumption and comparability of financial statements

The interim condensed consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern in the foreseeable future, covering a period of not less than 12 months after the last balance sheet date, i.e. December 31, 2024.
As at June 30, 2025, the Management Board of the parent company conducted an analysis of the Group's ability to continue as a going concern, taking into account the war in Ukraine, as well as, among other things, the current order portfolio, projected cash flow estimates, working capital value, current debt status, and available credit lines.
Based on the analysis, the Management Board did not identify any significant uncertainties regarding the Group's ability to continue as a going concern. The Issuer's Management Board also believes that the Russian invasion of Ukraine and the ongoing war there have had an impact on sales to those countries, but this has been offset by sales to other markets.
However, the Management Board is aware that military operations in Ukraine are characterized by high volatility and uncertainty, which may affect the Group's financial results in future periods.

III. Events after the balance sheet date

As at the date of preparation of the interim condensed consolidated financial statements for the first half of 2025, there were no events that should have been included in the accounting books for the reporting period but were not. At the same time, there are no significant events relating to previous years in these financial statements.

IV. Consolidation principles

No changes were made to the consolidation principles.

V. Description of the adopted accounting principles (policies), including methods of measuring assets and liabilities as well as revenues and costs

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments measured at fair value.

Historical cost is generally determined on the basis of the fair value of the consideration paid for goods or services. Fair value is the price that could be obtained from the sale of an asset or paid to transfer a liability in an arm's length transaction in the principal (or most advantageous) market on the measurement date and under current market conditions, regardless of whether the price is directly observable or estimated using another valuation technique. In measuring the fair value of an asset or

liability, the Group takes into account the characteristics of the asset or liability if market participants take those characteristics into account when pricing assets or liabilities at the measurement date.

In accordance with IFRS, the parent company controls the investee if, and only if, it has power over the investee, is exposed to or has rights to variable returns from its involvement with the investee, and has the ability to use its power to affect the amount of its financial results.

These interim condensed consolidated financial statements are presented in Polish zlotys ("PLN") and all amounts, unless otherwise indicated, are given in thousands of PLN. Differences between total amounts and the sum of their components result from rounding. Foreign exchange differences on the translation of balance sheet items are calculated as differences between the opening and closing exchange rates.

Other new or amended standards and interpretations that are applicable for the first time in 2025
have no significant impact on the Group's interim condensed consolidated financial statements.

The accounting policies applied in preparing the interim condensed consolidated financial statements are consistent with those applied in preparing the Group's annual consolidated financial statements for the year ended December 31, 2024, except for the application of new or amended standards and interpretations effective for annual periods beginning on January 1, 2025, and thereafter.
Other new or amended standards and interpretations that are applicable for the first time in 2025 do not have a significant impact on the Group's interim condensed consolidated financial statements.

VI. Significant values based on professional judgment and estimates

In these interim condensed consolidated financial statements, the significant judgments made by the Management Board regarding the accounting principles applied by the Group and the main sources of estimation uncertainty were the same as those described in the Consolidated Financial Statements for 2024 in section VII.

VII. Changes in accounting principles (policies) and adjustments

In preparing the condensed interim consolidated financial statements, the Group applied the same accounting policies as those described in the consolidated financial statements prepared as at April 23, 2025, and for the year ended December 31, 2024.
These financial statements have been prepared in accordance with IFRS as adopted by the EU, issued and effective for reporting periods beginning on or after January 1, 2025.

1. New standards, interpretations, and amendments to existing standards effective in 2025.

- **Amendment to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures"**

  The amendments to IFRS 9 clarify the rules for recognizing liabilities in electronic payments, allowing for earlier derecognition in irrevocable payment systems, and introduce an additional SPPI test for financial instruments with ESG characteristics. In addition, they clarify the characteristics of contractually linked instruments (CLIs) and require additional disclosures for equity investments measured at fair value through other comprehensive income. This change had no impact on the Group's consolidated financial statements.

- **Amendments to IFRS 7 and IFRS 9 "Contracts for electricity from natural sources"**

  The amendments to IFRS enable better reflection of power purchase agreements (PPAs) for electricity from renewable sources by clarifying the exception for own use, extending the scope of hedge accounting, and introducing additional disclosure requirements.

information on the impact of these agreements on financial results. This change had no impact on the consolidated financial statements of the Group.

- **Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates"**

IAS 21 was amended to specify methods for estimating exchange rates for non-convertible currencies and to introduce requirements for disclosing the impact of such estimates on the financial statements. This amendment did not have an impact on the Group's consolidated financial statements.

- **Annual improvements to IFRS accounting standards – Volume 11**

The amendments relate to:
• IFRS 1 First-time Adoption of International Financial Reporting Standards
;
• IFRS 7 Financial Instruments: Disclosures;
• IFRS 9 Financial Instruments;
• IFRS 10 Consolidated Financial Statements; and
• IAS 7 Statement of Cash Flows.

The amendment concerning the derecognition of lease liabilities applies only to lease liabilities that have expired since the beginning of the annual reporting period in which the amendment was first applied.

2. Standards and interpretations not applied in these financial statements

Standards and Interpretations	Type of anticipated change in accounting policy
Amendments to IFRS 18 "Presentation and disclosure in Financial Statements". Effective for periods annual periods beginning on January 1, 2027.	Introduction of a requirement for additional defined subtotals in the income statement, introduction of a requirement to disclose information on performance measures defined by management, and addition of new rules for grouping (aggregation and disaggregation) of information. IFRS 18 will replace IAS 1 Presentation of Financial Statements and will be effective for annual periods beginning on or after January 1, 2027.
Amendment to IFRS 19 "Pension Plans: Disclosure". Effective for annual periods beginning on or after January 1, 2027.	Introduction of new disclosure requirements for subsidiaries that are not publicly accountable for financial reporting.
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture." Effective date deferred indefinitely.	The amendments clarify that in the case of a transaction involving an associate or joint venture, the extent of recognition of profit or loss depends on whether the assets sold or contributed constitute a business, such that: ▪ the full gain or loss is recognized when the transaction between the investor and its associate or joint venture involves the transfer of an asset or assets constituting a business (regardless of whether they are located in a subsidiary or not), whereas ▪ A partial gain or loss is recognized when a transaction between an investor and its associate or joint venture involves assets that do not constitute a business, even if those assets are held by a subsidiary.

The Group has not decided to early adopt any standard, interpretation or amendment that has been published but is not yet effective. The Group's management does not expect the application of the above new standards and interpretations to have a significant impact on the financial statements.



ADDITIONAL NOTES AND EXPLANATIONS TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE 6 MONTHS ENDED

JUNE 30, 2025

Note 1. REVENUE

The Group's sales revenue and total revenue are as follows:

Specification	01.01.2025- 06/30/2025	01.01.2024- 06/30/2024	04/01/2025 June 30, 2025	04/01/2024 June 30, 2024
Sales of products and services	385,626	359,223	199,999	178,692
- including revenue recognized over time	*327524*	*294,816*	*166,194*	*132,673*
Sales of goods and materials	1,689	2,365	415	808
TOTAL revenue from from sales	**387316**	**361,587**	**200,415**	**179,501**
Other revenues operating	1684	921	806	157
Financial income	4,421	4,373	1,521	2,270
TOTAL income	**393,421**	**366,882**	**202,741**	**181,927**

Sales revenue by geographic market:

Specification	01/01/2025- June 30, 2025	01.01.2024- June 30, 2024	01.04.2025- June 30, 2025	04/01/2024- June 30, 2024
European Union	129,644	125,715	78,455	65,240
USA	137,271	145,546	66,726	71,781
Asia	91,745	66,361	49,826	32,324
Other	28,656	23,966	5,407	10,155
TOTAL revenue	**387,316**	**361,587**	**200,415**	**179,501**

All sales revenue recognized by the Group is accounted for in accordance with IFRS 15.

Detailed information concerning recognition of revenue by the Group contained is in Consolidated Financial Statements for 2024 in point VI.

Specification	MAIN PRODUCTS 01.01.2025-30.06.2025					Other	Total activity
	Vacuum furnaces Furnaces	Aluminum Process	Melting	Aftersales services Service	Total		
Total revenue	**68,616**	**114,599**	**127,465**	**76,384**	**387,064**	**252**	**387,316**
Sales to customers representing at least 10% of revenue	-	-	-	-	-	-	-
Cost of sales	**-51,452**	**-87,698**	**-112,717**	**-53,165**	**-305,033**	**-1,858**	**-306,891**
Gross profit (loss) on sales	17,164	26,900	14,748	23,219	82,031	-1,606	**80,425**

Specification	MAIN PRODUCTS 01.04.2025-30.06.2025					Other	Total activity
	Vacuum furnaces	Aluminum Process	Melting Furnaces	Aftersales-services Service	Total		
Total revenue	**37,009**	**59,044**	**63,167**	**40,943**	**200,163**	**252**	**200,415**
Sales to customers representing at least 10% of revenue	-	-	-	-	-	-	-
Cost of sales	**-26,977**	**-46,364**	**-54,346**	**-28,174**	**-155,860**	**-2,331**	**-158,191**
Gross profit (loss) on sales	10,031	12,681	8,821	12,770	44,303	-2,080	**42,223**

Specification	MAIN PRODUCTS 01.01.2024-30.06.2024					Other	Total activity
	Vacuum Furnaces Furnaces	Aluminum Process	Melting	Aftersales services Service	Total		
Total revenue	**86,276**	**65,521**	**117,111**	**92,679**	**361,587**	**-**	**361,587**
Sales to customers representing at least 10% of revenue	-	-	-	-	-	-	-
Cost of sales	**-66,002**	**-51,552**	**-108,901**	**-63,914**	**-290,368**	**-573**	**-290,941**
Gross profit (loss) on sales	20,275	13,969	8,210	28,765	71,219	-573	**70,646**

Specification	MAIN PRODUCTS 01.04.2024-30.06.2024					Other	Total activity
	Vacuum Furnaces	Aluminum Process	Melting Furnaces	Aftersales-services Service	Total		
Total revenue	**41,745**	**30,708**	**52,723**	**54,326**	**179,502**	**-2**	**179,501**
Sales to customers accounting for at least 10% of revenue	-	-	-	-	-	-	-
Cost of sales	**-32,068**	**-24,907**	**-51,475**	**-37,359**	**-145,810**	**232**	**-145,578**
Gross profit (loss) on sales	9,677	5,801	1,248	16,967	33,693	230	**33,923**

There are no customers for whom sales account for at least 10% of total revenue.

Note 2. OPERATING SEGMENTS

The Group operates in many markets around the world, selling metal heat treatment equipment manufactured using three main technologies. As at the balance sheet date, the Group's main production centers are located in Poland and China. Sales are handled by individual companies within the Capital Group. Sales are made by them on global markets, usually related to their place of registration, although in practice there are often deviations from this assignment, in particular when a given company also has customers outside the country of its registration. The main markets for the SECO/WARWICK Capital Group include the European, American, and Chinese markets.

According to geographical criteria, the Group distinguishes two main operating segments: China and "Rest of the World."

The Chinese market accounts for a significant portion of the revenue generated by the SECO/WARWICK Capital Group. In addition, this market is a separate point of reference for the Group's operations, and it is possible to assign cash inflows to assets in this market. In this structure, separate cash flows are generally generated from deliveries to the Chinese market (related to production by the factory in China and independent assets in China).

"Rest of the world" includes revenues mainly in Europe and the US. Outside China, production and sales are global in nature and are carried out on the same assets – the assets of all other companies in the Capital Group. For these reasons, the second cash-generating center is "Production and distribution – rest of the world."

In the "rest of the world," Poland and the US were significant, with revenues of PLN 194,122 thousand and PLN 167,587 thousand, respectively. Poland's fixed assets amounted to PLN 199,867 thousand, while those of the US amounted to PLN 80,831 thousand.

	June 30, 2025			June 30, 2024		
	Production and distribution – rest world	Production and distribution – China	TOTAL	Production and distribution – rest of the world	Production and distribution – China	TOTAL
Total revenue	**345,303**	**42,013**	**387,316**	**322,848**	**38,739**	**361,587**
Sales to customers representing at least 10% of revenue	-	-	-	-	-	-
Cost of sales	**-275,615**	**-31,276**	**-306,891**	**-261,650**	**-29,291**	**-290,941**
Gross profit (loss) from sales	**69688**	**10,737**	**80,425**	**61,198**	**9,448**	**70,646**
Profit from operations operating	**13078**	**6,164**	**19,241**	**7,825**	**4,109**	**11,934**
Net profit attributable to to shareholders of the entity of the parent company	**3,890**	**5,501**	**9,391**	**6,135**	**3,366**	**9,501**
Fixed assets	**213,881**	**11,755**	**225,637**	**198,412**	**11,689**	**210,101**

Note 3. OPERATING EXPENSES

	01.01.2025 06/30/2025	01.01.2024 June 30, 2024	01.04.2025 June 30, 2025	04/01/2024 June 30, 2024
Depreciation	10,677	8,645	5,328	4,391
Consumption of materials and energy	200,540	198,207	108,645	97,168
External services	32,342	30,428	18,112	15,694
Taxes and fees	1,584	1,457	790	819
Salaries	78,593	73,850	40,477	38,865
Social security and other benefits	20,253	18,642	11,056	9,880
Other costs by type	15,473	17,747	6,926	9,363
Total costs by type, including:	**359,462**	**348,976**	**191,334**	**176,181**
Sales costs	-23,871	-22,357	-11,418	-11,780
General administrative expenses	-37,401	-35,537	-19,337	-18,500
Change in inventory	12,823	2,534	-347	474
Cost of manufacturing products for own use needs	-4122	-2,675	-2,040	-797
Cost of goods sold and services	**306891**	**290,941**	**158,191**	**145,578**

Note 4. OTHER OPERATING INCOME AND EXPENSES

OTHER OPERATING INCOME	01.01.2025- June 30, 2025	01.01.2024 June 30, 2024	01.04.2025 June 30, 2025	04/01/2024- June 30, 2024
Profit on the sale of tangible fixed assets	1	238	1	73
Revenue from storage	279	-	279	-
Compensation and penalties received	45	305	5	130
Revenue from the rental of tangible fixed assets and investment property	151	107	76	56
Lease settlement in connection with non-exercise of the right to purchase the leased asset	382	-	167	-
Other	826	271	277	-102
Total other operating income	**1,684**	**921**	**806**	**157**

OTHER OPERATING COSTS	01/01/2025-June 30, 2025	01.01.2024 June 30, 2024	04/01/2025 June 30, 2025	04/01/2024-June 30, 2024
Creation of a write-down on inventories	948	632	948	594
Loss on sale of tangible fixed assets	9	-	9	-
Court costs, damages, penalties	-	702	-2	566
Impairment losses on fixed assets	-	-	-	-
Costs related to income from the lease of tangible fixed assets	314	352	120	92
Donations	1	10	1	7
Other	166	49	124	-134
Total other operating expenses	**1,439**	**1,745**	**1,200**	**1,109**

Impairment of receivables and assets contractual	01.01.2025 June 30, 2025	01.01.2024 June 30, 2024	04/01/2025 June 30, 2025	01.04.2024 June 30, 2024
Impairment of receivables	157	-5	195	44
Impairment of contractual assets	-	-	-	-
Impairment of receivables and contractual assets contract assets	**157**	**-5**	**195**	**44**

Note 5. FINANCIAL INCOME AND EXPENSES

FINANCIAL INCOME	06/30/2025	01.01.2024 06/30/2024	04/01/2025 June 30, 2025	04/01/2024 June 30, 2024
Interest income	442	658	190	385
Result on derivative instruments	3,794	2,746	1,278	991
Excess of positive exchange rate differences over negative	185	872	185	872
Other	-	98	-132	21
Total financial income	**4,421**	**4,373**	**1,521**	**2,270**

FINANCIAL COSTS	01.01.2025-June 30, 2025	01.01.2024 June 30, 2024	01.04.2025-June 30, 2025	04/01/2024-June 30, 2024
Interest	3,022	2,306	1,473	1,505
Interest on leases	1,625	1,571	716	642
Net income on derivative instruments derivatives	156	-	156	-
Surplus of negative exchange rate differences	3,343	40	1,745	-562
exchange rate differences over positive Other	135	220	-34	144
Total financial costs	**8,281**	**4,137**	**4,057**	**1,728**

Note 6. INCOME TAX

The effective tax rate for the six months ended June 30, 2025 was 19%, unchanged from the corresponding period ended June 30, 2024.

Note 7. IMPAIRMENT LOSSES ON ASSETS

Balance of impairment losses as at	June 30, 2025	December 31, 2024
Trade receivables	17,734	17,577
Goodwill	44,946	44,946
Inventories	16,125	15,232
Contract assets	341	341
Tangible fixed assets	3	3

Goodwill and development work are subject to annual impairment tests carried out by the Group on the basis of financial data as at December 31 of a given year. As at June 30, 2025, the Group analyzed the available information and did not identify any indications of the need to perform additional impairment tests.

WRITE-DOWNS ON TRADE RECEIVABLES	June 30, 2025	12/31/2024
At the beginning of the period	**17,577**	**16,262**
Increase	-	1,258
Utilization (-)	-	-265
Net exchange differences on translation of financial statements into presentation currency	218	32
At the end of the period	**17,734**	**17,577**

Note 8. TANGIBLE FIXED ASSETS

Property, plant and equipment	June 30, 2025	31.12.2024
Land	32	32
Buildings and structures	31,402	31,218
Technical equipment and machinery	31,703	32,980
Means of transport	2,017	2,713
Other	11,218	11,722
Total	**76,372**	**78,664**
Tangible fixed assets under construction	21,057	14,187
Total tangible fixed assets	**97,429**	**92,851**

The main increase in tangible fixed assets under construction relates to investments made by Retech Systems LLC.

Note 9. ASSETS UNDER THE RIGHT OF USE

Assets under right of use	30.06.2025	31.12.2024
Land	2,797	2,414
Buildings and structures	32,399	38,680
Technical equipment and machinery	1,088	2,238
Means of transport	3,582	3,255
Total assets from rights of use	**39,866**	**46,583**

Note 10. INTANGIBLE ASSETS

Intangible assets	June 30, 2025	Dec. 31, 2024
Patents, concessions, licenses, software	3,636	4,551
Development costs	45,613	46,805
Other intangible assets	2,884	2,931
Total intangible assets	**52,133**	**54,287**

Note 11. INVENTORIES

Specification	30.06.2025	31.12.2024
Materials	37,698	48,566
Semi-finished products and work in progress	40,703	35,483
Finished goods	1,639	1,843
Goods	1,590	-
Total inventories (balance sheet value)	**81,629**	**85,892**
Inventory write-down	16,125	15,233
Gross inventories	**97,754**	**101,124**

WRITE-OFFSREVALUATION	materials	semi-finished products and work in progress	products finished goods	goods	Total
01.01.2025	**7,182**	**7,312**	**733**	**5**	**15,232**
Increases, including:	**346**	**603**	**-**	**-**	**948**
- creation of write-offs in correspondence with other costs operational	346	603	-	-	948
Decreases, including:	**-**	**56**	**-**	**-**	**56**
- utilization	-		-	-	-

Net exchange rate differences from translation of financial statements to the presentation currency	-	56	-	-	56
June 30, 2025	**7,528**	**7,858**	**733**	**5**	**16,126**

01.01.2024	**5,530**	**7,370**	**733**	**5**	**13,638**
Increases, including:	**479**	**153**	**-**	**-**	**632**
- creation of in correspondence with other costs operating	479	153	-	-	632
Decreases, including:	**-**	**56**	**-**	**-**	**56**
Net exchange rate differences from translation of financial statements to the presentation currency	-	56	-	-	56
June 30, 2024	**6,009**	**7,467**	**733**	**5**	**14,215**

01.01.2024	**5,530**	**7,370**	**733**	**5**	**13,638**
Increases, including:	**1,653**	**393**	**-**	**-**	**2,046**
- creation of revaluation write-offs in correspondence with other costs operating	1653	393	-	-	2,046
Decreases, including:	**-**	**452**	**-**	**-**	**452**
Net exchange rate differences from translation of financial statements to the presentation currency	-	452	-	-	452
31.12.2024	**7,182**	**7,312**	**733**	**5**	**15,232**

Note 12. DIVIDENDS PROPOSED OR APPROVED UP TO THE DATE OF APPROVAL OF THE FINANCIAL STATEMENTS

On April 23, 2025, the Supervisory Board of SECO/WARWICK S.A. approved the motion of the Management Board of SECO/WARWICK S.A. Management Board expressed in Resolution No. 9/2025 of the Management Board of SECO/WARWICK S.A. of April 23, 2025 on the distribution of the net profit of SECO/WARWICK S.A. for 2024.

On April 23, 2025, in Current Report No. 3/2025, the Company announced the Management Board's recommendation regarding the payment of dividends. In its recommendation, the Management Board proposed that the Company's net profit in the amount of PLN 20,903,169.60 (in words: twenty million nine hundred and three thousand one hundred and sixty-nine zlotys 60/100) be distributed as follows:

- A portion of the net profit in the amount of PLN 8,734,907.00 (in words: eight million seven hundred thirty-four thousand nine hundred seven zlotys 00/100) is allocated to the payment of dividends to shareholders,
- Part of the net profit in the amount of PLN 12,168,262.60 (in words: twelve million one hundred sixty-eight thousand two hundred sixty-two zlotys 60/100) to the Company's reserve capital.

In addition, the Company's Management Board recommended that the date of determining the right to dividend (D-day) be June 16, 2025, and that the dividend be paid (W-day) on June 23, 2025.

On June 9, 2025, the Ordinary General Meeting distributed the Company's net profit for the year 2024 in accordance with the recommendation of the Company's Management Board.

Note 13. GOODWILL

Specification	June 30, 2025	31.12.2024
Goodwill from consolidation at the beginning of the period	31,748	31,748
Total goodwill at the end of the period	**31,748**	**31,748**

Note 14. CONTRACTUAL ASSETS/LIABILITIES

Recognized in the consolidated financial statements as amounts due:	June 30, 2025	31.12.2024
From customers under construction contracts	138,972	118,983
To customers under construction contracts	-122,998	-174,157
	15,974	-55,173

The Group recognized the following assets and liabilities under contracts with customers:

Contract assets

Contract assets reflect amounts due from customers for services rendered or equipment delivered.

Due to the execution of large contracts for individual customers, the Group believes that there is a concentration of credit risk in relation to contract assets and receivables. Therefore, when determining impairment losses, the Group conducts an individual analysis of each balance. The Group's maximum exposure to credit risk at the end of the reporting period is reflected in the carrying amount of these assets.

Changes in contract assets during the 6-month period ended June 30, 2025 were as follows:

	01.01.2025- June 30, 2025	01.01.2024 June 30, 2024
Opening balance	**118,983**	**126,133**
Increases	228,341	201,112
Invoiced amounts transferred to trade receivables	-199,546	-183,587
Foreign exchange differences	-8,806	1,453
Closing balance	**138,972**	**145,111**

Contractual liabilities

Approximately PLN 102,651 thousand of the balance of contractual liabilities as at January 1, 2025 was recognized as revenue in the six-month period ended June 30, 2025.
Significant amounts in contractual assets and liabilities result from payment schedules agreed with customers and are recognized at the level of individual contracts.

As at June 30, 2025, the transaction price attributable to unfulfilled performance obligations under contracts with customers amounted to PLN 122,998 thousand. The table below presents the time periods in which the Group expects to fulfill these performance obligations and recognize the related revenue.

	June 30, 2025	December 31, 2024
Up to 1 year	122,998	174,157
From 1 year to 2 years	-	-
From 2 to 3 years	-	-
From 3 to 4 years	-	-
From 4 to 5 years old	-	-
Over 5 years	-	-
Total unfulfilled obligations to perform	**122,998**	**174,157**

Note 15. OTHER FINANCIAL ASSETS AND LIABILITIES

	June 30, 2025		31.12.2024	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Derivative financial instruments	6,099	-	1,767	183
Total hedging instruments				
- long-term	35	-	3	20
- short-term	6,064	-	1,764	163

Disclosures regarding derivative instruments meeting the criteria for hedge accounting

The Group applies cash flow hedge accounting to currency risk arising from future, highly probable cash flows related to the Group's foreign currency revenues resulting from the sale of goods in foreign currencies.

Hedging of currency risk

As part of its risk management strategy, which consists in particular of managing the currency risk of revenues denominated in foreign currencies resulting from the Group's export sales of products, the Group enters into appropriate currency forward contracts to hedge its projected cash flows. The purpose of the Group's hedging activities against exchange rate risk (the Group hedges EUR and USD currencies) is to limit the volatility of revenues denominated in foreign currencies from the sale of goods.

The Group enters into FX Forward hedging instruments with settlement dates matched to the expected dates of realization of the hedged sales revenues. The Group hedges up to 80% of its revenues over a maximum horizon of two calendar years. Due to possible shifts in the timing and amount of cash flows, the Group assumes the possibility of adjusting forward contracts constituting hedging instruments, in particular by entering into FX Swap contracts with appropriate parameters.

The hedging instruments are:

- FX Forward contracts for the sale of foreign currency (EUR, USD, or GBP),

- FX Swap contracts postponing payment dates, in the same currencies as the original FX Forward contracts FX Forward contracts.

The Group determines whether there is an economic link between the hedged item and the hedging instrument by comparing the key terms of the hedged item and the hedging instrument, in particular the maturity date, currency of the cash flow, and amount of the cash flow in foreign currency.

The Group has set the hedge ratio at 1:1 by comparing the nominal values of the foreign currency cash flows from the hedging instrument and the hedged item.

In terms of currency risk in cash flow hedges, the main sources of ineffectiveness identified by the Group are:

- the non-linearity of swap points affecting other forward rates resulting from the rollover of a derivative instrument than the forward rates obtained for the same maturity without taking into account the rollover (using a single FX Forward instrument),
- the impact of credit risk on the fair value of currency forward contracts.

The Group does not identify any sources of ineffectiveness other than those indicated above in relation to the currency risk hedging arrangements used.

Numerical disclosures concerning all hedging relationships used in total*:* Amount, timing, and uncertainty of future cash flows

The table below presents the nominal values of hedging instruments and their distribution over time as at June 30, 2025:

	REMAINING TIME TO MATURITY					TOTAL
	UP TO 1 MONTH	FROM 1 TO 3 MONTHS	FROM 3 MONTHS TO 1 YEAR	FROM 1 TO 5 YEARS	MORE THAN 5 LAT	
CASH FLOW HEDGING						
CURRENCY RISK						
EUR/PLN FX Forward Contracts (including FX Swaps)						
Nominal value (EUR thousand)	-	8949	10,438	1,000	-	**20,387**
Average exchange rate Transaction	-	4.43	4.41	4.41	0.00	4.42
USD/PLN FX forward contracts (including FX swaps)						
Nominal value (thousand USD)	1900	200	2,000	-	-	**4,100**
Average exchange rate transaction	4.11	3.93	4.12	0.00	0.00	4.10
GBP/PLN FX Forward Contracts (including FX Swaps)						
Nominal value (USD thousand)	-	-	-	-	-	-
Average transaction rate	-	-	-	-	-	-

The impact of hedge accounting on the financial position and results:

The table below presents the impact of cash flow hedging on the balance sheet and financial result in relation to hedging instruments as at 30 June 2025:

Type of instrument	Unit measure	Value nominal June 30, 2025	Assets June 30, 2025	Liabilities June 30, 2025	Name item in balance sheet, which contains instrument determination part hedging	Changes in fair value fair value of the item hedged (as a period of basis for reporting, hedging ineffective in a given period)	Gains or losses on hedging for which have been recognized in other total income	Amount inefficiency recognized in the income statement losses	Statement item income (account of which the amount of ineffectiveness	Amount reclassified from Item in the provision for flows and losses), in hedge cash to result as an adjustment due to reclassification	the statement of total income (profit and loss account losses), which includes an adjustment for reclassification
Forward sale of currency	**EUR**	86,363	2,372	-	Derivatives instruments financial	2,372	2,300	-	**Revenues / expenses financial**	2590	Revenues / expenses financial
Forward currency sale	**USD**	14,833	1,915	-	Derivatives instruments financial	1,915	1,458	-	**Revenues / expenses financial**	985	Revenues / expenses financial
Forward currency sale	**GBP**	-	-	-	Derivatives instruments financial	0	0	-	**Revenues / expenses financial**	-	Revenues / expenses financial
TOTAL		**101,196**	**4,287**	-		**4,287**	**3,757**	-		**3,575**	

Type of instrument	Unit measure	Nominal nominal June 30, 2024	Assets June 30, 2024	Liabilities June 30, 2024	Name of item in balance sheet, which contains instrument determinationpart hedging	Changes in Fair value position hedged item (as a period basis for ineffective in a given period)	Gains or losses on hedging for reporting, hedging recognized which have been recognized in other total income	Amou nt ineffectiveness in the income statement losse s	Balance sheet item total income(accountflows andlosses),in of which the amount of ineffectiveness	Amount reclassified from Item in the provision for hedge cash to result as an adjustment due to reclassification	statement of hedge income (profit and loss account losses), which includes an adjustment for reclassification
Forward currency sales	EUR	85,007	3,849	-	Derivatives instruments financial financial	3,849	3,576	-	**Revenues / expenses financial**	3330	Expenses financial
Forward Currency sales	USD	11,693	139	7	Derivatives instruments financial financial	132	89	-	**Revenues / costs financial**	13	costs financial
Forward currency sales	GBP	-	-	-	Derivatives financial financial	-	-	-	**Revenues / expenses financial**	-	costs financial
TOTAL		**96,699**	**3,988**	7		**3,981**	**3,666**	-		**3,543**	

The table below presents the impact of cash flow hedging on the balance sheet and financial result in relation to hedged items as at 30 June 2025:

PLN thousand	Change in the value of the hedged item used as the basis for recognizing hedge ineffectiveness in a given period	Balance of the provision for cash flow cash flows for continuing hedges	Balance remaining in the cash flow hedge reserve for any hedging relationships for which hedge accounting is no longer applied ,
	CASH FLOW HEDGING		
	CURRENCY RISK		
Revenue in EUR resulting from the sale of goods	-2,372	1,054	-
Revenue in USD resulting from the sale of goods	-1,915	699	-
Revenue in GBP resulting from the sale of goods	-	-	-
TOTAL	**-4,287**	**1,752**	**-**

The table below presents the change in the cash flow hedge provision during the reporting period:

	June 30, 2025	June 30, 2024
BALANCE AT THE BEGINNING OF THE PERIOD	**778**	**1,115**
	CASH FLOW HEDGING	
	CURRENCY RISK	
Gains or losses resulting from hedging, recognized in other comprehensive income during the reporting period	3,757	3,666
Part of the loss transferred to the income statement due to the absence of an expectation that the hedged item will occur	nd	nd
Amount reclassified from the reserve hedge cash flow to the income statement (sales revenue) as an adjustment for reclassification	3,575	3,543
STATUS AT THE END OF THE PERIOD	**960**	**1,238**

Note 16. TRADE RECEIVABLES AND OTHER SHORT-TERM RECEIVABLES

Specification	30.06.2025	31.12.2024
Trade receivables	89,709	89,988
a) trade receivables with a repayment period of up to 12 months	89,709	89,988
- advances and deposits paid		
b) from other entities		
Total other short-term receivables	13,595	21,058
- on account of advances	4,932	10,093
- from taxes, subsidies, customs duties, insurance	7,689	5,181
- other receivables	974	5,785
Trade receivables and other net receivables, total	**103,304**	**111,046**
Impairment losses	17,734	17,577
Trade receivables and other gross receivables, total	**121,038**	**128,623**

The Group performs individual and collective impairment testing of trade receivables. Receivables are tested individually when there is objective evidence of impairment that may have a negative impact on future cash flows. Significant objective evidence includes, for example, legal action against the debtor, serious financial problems of the debtor, significant payment delays. For short-term trade receivables analyzed collectively that do not have a significant financing component, the Group applies the simplified approach required by IFRS 9 and measures impairment losses at the amount of credit losses expected over the entire life of the receivable from the moment of its initial recognition. The Group uses an impairment matrix in which impairment losses are calculated for trade receivables classified into different periods of delinquency. The analysis of expected credit losses on contractual assets is described in Note 14. Contractual assets/liabilities.

Note 17. TRADE AND OTHER LIABILITIES

Specification		June 30, 2025	31.12.2024
Trade liabilities			
To other entities		**80,455**	**66,421**
Total			
Liabilities due to taxes, customs duties, social security	i	8,727	8,985
Other			
Income tax liabilities		363	1,255
Other liabilities		2,478	3,384
Total other		**11,569**	**13,624**
Total trade and other liabilities		**92,024**	**80,045**

Note 18. LOANS AND BORROWINGS

Loans and borrowings	30.06.2025	31.12.2024
Overdrafts	52,456	55,350
Investment credit	52,998	29,881
Credit card limits	135	305
Total	**105,589**	**85,537**

Loans and borrowings	
As of January 1, 2025	**85,537**
Increases, including:	**31,214**
- overdrafts	150
- taking out an investment loan	31,064
Decreases, including:	**11,161**
- repayment of loans in the account	3,853
- repayment of investment loan	4,162
- repayment of credit card limits	170
- *exchange rate differences*	2,976
As of June 30, 2025	**105,589**

In the second quarter of 2025, SECO/WARWICK S.A. took out an investment loan in the amount of PLN 17,616 thousand to buy back its own shares.

Retech Systems LLC received the last tranche of the investment loan in the amount of PLN 13,447,000 (USD 3,500,000) as at June 30, 2025, the loan was fully utilized, i.e. USD 10,000,000. The loan was allocated to a project for the development of metal powder production technology, including the construction and installation of Plasma Gas Atomizer furnaces and the expansion and equipping of a production and assembly hall.

Note 19. OFF-BALANCE SHEET ITEMS

Contingent liabilities

Contingent liabilities arising from bank guarantees granted to fulfill contractual conditions as at June 30, 2025 amounted to PLN 1,605 thousand, while at the end of 2024 they amounted to PLN 1,370 thousand.

Note 20. SETTLEMENTS RELATED TO COURT PROCEEDINGS

In the first half of 2025, no significant proceedings concerning the liabilities or receivables of SECO/WARWICK S.A. with any contractor or its Group were conducted before a court, an arbitration authority, or public administration authorities.

Detailed information on court cases is included in Note 34 to the consolidated financial statements for the period ended December 31, 2024. As at the date of approval for publication of this report, the Company performed a reassessment, which did not result in any necessary changes.

Note 21. SIGNIFICANT INFORMATION ON RELATED ENTITIES

There were no significant transactions with related entities not included in the scope of consolidation.

Note 22. OTHER PROVISIONS

Specification	30.06.2025	31.12.2024
Provisions for warranty repairs and returns	9,682	10,546
Provision for penalties	111	128
Provisions for loss-making contracts	580	810
Other provisions	**10,373**	**11,485**

Note 23. EMPLOYEE BENEFIT OBLIGATIONS

Short-term employee benefit obligations	June 30, 2025	December 31, 2024
- liability for unused vacation leave	5,830	4,701
- liability for bonuses	10,280	18,100
- employee benefit liabilities	-	33
- current liabilities related to remuneration	7,475	8,451
Liabilities related to employee benefits	**23,585**	**31,284**

Long-term employee benefit obligations 30.06.2025	30.06.2025	31.12.2024
Balance at the beginning of the period	**1,445**	**1,605**
increases	-	115
- creation of a reserve		115
use	93	276
release	-	-
balance at the end of the period	**1,351**	**1,445**

Note 24. FAIR VALUE HIERARCHY

All derivatives are classified by the Group at level 2 of the fair value hierarchy. The method and technique of measuring financial instruments at fair value have not changed compared to the method and technique of measurement as at December 31, 2024. Both in the reporting period and in the comparative period, no transfers between the individual levels of the fair value hierarchy of financial instruments were made in the Capital Group, nor was there any change in the classification of instruments as a result of a change in the purpose or use of these instruments.

There are no significant differences between the carrying amount and the fair value of financial assets and liabilities

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		June 30, 2025		
		Level 1	Level 2	Level 3
		PLN'000	PLN'000	PLN'000
Financial assets				
Derivative financial instruments		-	4,287	-
- Forward currency contracts (long-term) (short-term)	forward	-	32	-
- Forward currency contracts	forward	-	4,255	-
Total		-	4,287	-
Short-term financial liabilities				
short-term				
Forward currency contracts		-	-	-
long-term		-	-	-
Forward currency contracts		-	-	-
Total		-	-	-

Note 25. INFORMATION ON SEASONALITY OR CYCLICALITY OF ACTIVITIES IN THE INTERIM PERIOD

The activities conducted by the SECO/WARWICK Group do not involve any significant seasonal
of a seasonal or cyclical nature.

Note 26. INFORMATION ON EVENTS THAT ARE UNUSUAL IN TERMS OF THEIR TYPE, SIZE OR FREQUENCY

WAR IN UKRAINE

As at the date of this report, the armed conflict in Ukraine has no significant negative impact on the Group's operations. However, based on current observations, the Company identifies the following main areas of potential impact of the war in Ukraine on the operations of the Company and the Capital Group and their financial situation:

- increased exchange rate volatility,
- a global economic downturn accompanied by rising inflation (stagflation stagflation),
- increased geopolitical risk translating into the risk of reduced investment activity in the industries served by the Group,
- deepening turmoil in supply chains – problems with the availability of selected components, raw materials, and materials, e.g., steel, and a significant increase in their prices,
- rising energy costs (electricity, fuels, and natural gas),
- interest rate increases resulting in higher financing costs,
- IT risks.

CUSTOMS DUTIES IMPOSED BY THE US

The tariffs currently in force and gradually extended by the US are having an increasing impact on the operations of the SECO/WARWICK Group. This particularly applies to the production of equipment in Poland and exported to

the American market. In addition to the existing tariffs on steel and aluminum, new, increased tariffs were introduced in 2025, covering, among others, copper and copper products, automotive parts, industrial machinery, and a wide range of goods from countries outside the US trade agreements.
The regulations introduced increase the risk of disruptions in global supply chains and generate cost pressure on the purchase of components and raw materials that are important from the perspective of the Group's operations. An additional threat is posed by potential retaliatory measures by China and other US trading partners, which may lead to further destabilization of the market environment and increased uncertainty regarding the implementation of investment plans by the Group's customers.
As a result, growing trade and geopolitical tensions may lead to the postponement or reduction of investments by end users, which will have a negative impact on the level of orders and the Group's financial results in subsequent quarters.

Note 27. SIGNIFICANT EVENTS AFTER THE END OF THE INTERIM PERIOD THAT ARE NOT REFLECTED IN THE FINANCIAL STATEMENTS

No such events occurred.

Note 28. MANAGEMENT OPTIONS

SECO/WARWICK S.A. Incentive Program

On December 14, 2023, the Supervisory Board, by Resolution No. 1/2023, set individual targets for 2024 for participants in the Incentive Program, as announced by the Company in Current Report No. 19/2023 of December 14, 2023. The achievement of individual targets is a condition for granting Program participants the rights under the Program, provided that they remain in an employment relationship with the Company in the period from January 1, 2024, to December 31, 2024. These targets were approved by the General Meeting of Shareholders in Resolution No. 21 on June 13, 2024.
In the case of both the 2023 and 2024 Incentive Programs, the targets relate to the financial and operating indicators of individual subsidiaries, organizational units associated with specific technologies, or the entire Capital Group, depending on the function performed by a given Program participant.

The implementation of the targets for 2023 was approved by the Ordinary General Meeting by Resolution No. 22 of June 13, 2024.
The implementation of the targets for 2024 was approved by the Ordinary General Meeting by Resolution No. 21 of June 9, 2025.

The costs incurred in 2024 in connection with the Incentive Program for 2022-2024 amounted to PLN 1,342 thousand.
The costs incurred in the first half of 2025 in connection with the Incentive Program for 2022-2024 amounted to PLN 253 thousand.

Note 29. DECONSOLIDATION OF A SUBSIDIARY

Due to circumstances indicating a possible loss of control over its subsidiary SECO/WARWICK Rus based in Russia, the parent company updated its analysis of compliance with the criteria for exercising control over a subsidiary specified in the accounting policy, resulting from IFRS 10
"Consolidated Financial Statements." Based on the analysis, the parent company determined that control over Seco/Warwick Rus ceased on April 1, 2025, and on that date, SECO/WARWICK Rus was excluded from consolidation.

Effects of deconsolidation:

- Removal of the subsidiary's assets and liabilities from the consolidated balance sheet,
- Recognition of a loss on discontinued operations in the amount of PLN 2,632 thousand in the statement of statement of comprehensive income,
- Transfer of cumulative foreign exchange differences from the translation of a foreign entity from equity to the income statement as a component of the loss of control result,
- The subsidiary's results from previous years (retained earnings) remain part of consolidated equity and are not subject to retrospective adjustment.



Interim Condensed Separate Financial Statements

for the period **from January 1 to June 30, 2025**

INTERIM CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME
(data prepared in PLN thousand)

	note	for the period 01.01.2025-June 30, 2025 (unaudited)	for the period 01.01.2024-June 30, 2024 (unaudited)	for the period 01.04.2025-June 30, 2025 (unaudited)	for the period 04/01/2024-June 30, 2024 (unaudited)
Revenue from sales	1.2	173,911	148,004	88,798	71,185
Cost of sales	2	-133,875	-117,825	-67,336	-56,809
Gross profit on sales		**40,037**	**30,179**	**21,462**	**14,377**
Other operating operating	4	1,254	1,208	541	457
Costs of sales	3	-10,304	-10,268	-5,684	-5,571
General and administrative expenses	3	-15,296	-14,146	-8,060	-6,944
Impairment of receivables and contract assets	4	-46	-89	-46	-89
Other operating expenses	4	-1,173	-1,825	-962	-1,132
Profit from operating	**from operations**	**14,472**	**5,059**	**7,251**	**1,097**
Financial income	5	8,588	13,607	6,043	11,776
Financial costs	5	-5,047	-2,203	-1,668	-1,209
Gross profit		**18,013**	**16,463**	**11,626**	**11,664**
Income tax	6	-2,618	-2,456	-1,318	-1,367
Net profit		**15,395**	**14,006**	**10,307**	**10,297**

The statement of comprehensive income should be analyzed together with the notes and additional information.

	for the period 01.01.2025-June 30, 2025	for the period 01.01.2024-June 30, 2024	for the period 01.04.2025-June 30, 2025	for the period 01.04.2024-June 30, 2024
Profit	**15,395**	**14,006**	**10,307**	**10,297**
OTHER COMPREHENSIVE INCOME:				
Items not subject to to profit/(loss) in subsequent reporting periods: Actuarial gains on defined benefit pension plans	-	-	-	-
	-	-	-	-

Items which may be reclassified to profit/(loss) in subsequent reporting periods:	**792**	**-1,085**	**195**	**-453**
Valuation of cash flow hedging derivatives	792	-1,085	-51	-453
Other comprehensive income, before tax	792	-1,085	-51	-453
Income tax relating to other comprehensive income	**-150**	**206**	**10**	**86**
Income tax related to components of other comprehensive income, which will be reclassified to earnings or losses	-150	206	10	86
Total other comprehensive income	**641**	**-879**	**-42**	**-367**
Total comprehensive income	**16,036**	**13,128**	**10,266**	**9,930**
EARNINGS PER SHARE:				
- basic earnings per share per	1.76	1.63	1.18	1.20
- diluted earnings per share share	1.76	1.59	1.18	1.17

per

share

INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION
(data prepared in PLN thousand)

	note	June 30, 2025 (unaudited)	December 31, 2024 (audited)
ASSETS			
Tangible fixed assets	7	51,545	50,783
Assets arising from rights of use	8	6,666	7,868
Intangible assets	9	47,598	48,763
Long-term receivables		2,950	833
Investments in related entities	10	86,479	84,273
Other financial assets	12	35	3
Non-current assets		**195,274**	**192,523**
Inventories		42,116	44,590
Trade receivables and other short-term receivables	13	61,490	54,575
Income tax receivables	13	2,059	4,231
Other financial assets	12	4,255	1,764
Other non-financial assets		2,621	2,465
Contract costs		128	140
Contract assets		77,914	52,629
Cash and cash equivalents		47,521	51,016
Current assets other than those held for sale		**238,104**	**211,410**
assets classified as intended for sale			
Current assets		**238,104**	**211,410**
TOTAL ASSETS		**433,378**	**403,933**

The statement of financial position should be analyzed together with the notes and additional information.

INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION
(data prepared in PLN thousand)

	note	June 30, 2025 (unaudited)	December 31, 2024 (audited)
LIABILITIES			
Share capital		3,557	3,557
Reserve capital from the surplus of the issue price over the nominal value of shares		78,666	78,666
Treasury shares		-18,536	-18,536
Other reserve capital		40,604	44,325
Retained earnings		115,881	104,605
Equity		**220,172**	**212,617**
Loans and borrowings	16	14,438	1,036
Lease liabilities		3,981	4,392
Derivative financial instruments	12	-	20
Deferred income tax provision		10,427	7,761
Employee benefit liabilities		1,172	1,172
Long-term liabilities		**30,019**	**14,381**
Loans and borrowings	16	55,766	56,195
Lease liabilities		2,128	2,472
Derivative financial instruments	12	-	163
Trade and other liabilities	14	47,561	35,274
Employee benefit liabilities	15	13,289	16,403
Other provisions		6,678	7,079
Contractual liabilities		57,766	59,350
Liabilities directly related to non-current assets classified as held for sale		-	-
Current liabilities		**183,188**	**176,935**
Total liabilities		**213,206**	**191,316**
TOTAL LIABILITIES		**433,378**	**403,933**

The statement of financial position should be analyzed together with the notes and additional information.

INTERIM CONDENSED SEPARATE STATEMENT OF CASH FLOWS
(data prepared in PLN thousand)

	for the period 01.01.2025 06/30/2025 (unaudited)	for the period 01.01.2024- 06/30/2024 (unaudited)
CASH FLOWS CASH CASH FROM OPERATING ACTIVITIES		
Gross profit	**18,014**	**16,463**
Total adjustments:	**-20,118**	**-18,924**
Depreciation	4,684	4,248
(Gains)/losses on exchange rate differences	-568	32
Adjustments for financial (income)/expenses	-2,471	-8,449
(Profit)/loss on investment activities	-383	333
Changes in balance sheet items:		
Change in provisions	-3,514	-1,135
Change in inventories	2,474	4,677
Change in receivables	-4,409	14,942
Change in short-term liabilities, from except for financial liabilities	12,743	-16,999
Change in contractual assets and liabilities	-26,856	-17,593
Change in accruals	-156	744
Change in the balance of currency derivatives	-1,915	-824
Adjustments for share-based payments	253	1,102
Cash from operating activities	**-2,105**	**-2,461**
Income tax refunded/(paid)	**2,069**	**504**
Net cash from operating activities	**-35**	**-1,957**
CASH FLOWS CASH FLOWS FROM INVESTMENT ACTIVITIES		
Proceeds from the sale of intangible assets and tangible fixed assets	1	60
Dividends received	-	2,000
Capital expenditure on intangible assets and tangible fixed assets	-3,188	-6,605
Capital increase in subsidiaries	-2,207	-6,592
Net cash from investing activities	**-5,394**	**-11,137**
CASH FLOWS CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loans and borrowings	14,469	27,828
Subsidies received	244	-
Expenses related to repayment of loans and borrowings	-1,496	-6,802
Dividends and other payments to owners	-8,735	-8,616
Payments of liabilities under lease agreements	-878	-889
Interest	-2,238	-2,064
Net cash from financing activities	**1,366**	**9,456**

Increase (decrease) of funds and cash equivalents before the effects of exchange rate changes	**-4,063**	**-3,637**
Effects of exchange rate changes on cash and cash equivalents	-3,495	-3,669
Increase (decrease) in cash and cash equivalents	**568**	**-32**
Cash at the beginning of the period	**51,016**	**17,579**
Cash at end of period	**47,521**	**13,910**

The cash flow statement should be analyzed together with the notes and additional information.

INTERIM CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY

(data prepared in PLN thousand)

	Share capital share	Reserve capital from the surplus of the issue price over the nominal value of shares	Treasury shares	Other reserve capital	Retained earnings	Total equity
Equity as at January 1, 2025 (audited)	**3,557**	**78,666**	**-18,536**	**44,325**	**104,605**	**212,617**
Profit for the period	-	-	-	-	15,396	**15,396**
Other comprehensive income	-	-	-	641	-	**641**
Total comprehensive income for the financial year	**-**	**-**	**-**	**641**	**15,396**	**16,037**
Dividend payment	-	-	-	-	-8,735	**-8,735**
Release of reserve capital created for the purpose of acquiring own shares	-	-	-	-27,615	27,615	-
Creation of a reserve capital for the repurchase of repurchase of own shares	-	-	-	23,000	-23,000	**-**
Valuation of the management option program	-	-	-	253	-	**253**
Changes in equity	**-**	**-**	**-**	**-3,721**	**11,276**	**7,555**
Equity as at June 30, 2025 (unaudited)	**3557**	**78,666**	**-18,536**	**40,603**	**115,881**	**220,172**

	Share capital share	Reserve capital from the surplus of the issue price over the nominal value of shares	Treasury shares	Other reserve capital	Retained earnings	Total equity
Equity as at January 1, 2024 (audited)	**3,557**	**78,666**	**-20,268**	**46,030**	**92,319**	**200,304**
Profit for the period	-	-	-	-	14,006	**14,006**
Other comprehensive income	-	-	-	-879	-	**-879**
Total comprehensive income for the financial year	**-**	**-**	**-**	**-879**	**14,006**	**13,128**
Dividend payment	-	-	-	-	-8,616	**-8,616**
Valuation of the management option program	-	-	-	1,102	-	**1,102**
Changes in equity	**-**	**-**	**-**	**223**	**5,390**	**5,613**
Equity as at June 30, 2024 (unaudited)	**3,557**	**78,666**	**-20,268**	**46,252**	**97,709**	**205,917**

The statement of changes in equity should be analyzed together with the notes and additional information.



Additional notes and explanations to the Interim Condensed Separate Financial Statements for the 6 months ended

June 30, 2025

BASIS FOR PREPARATION OF THE

I. Basis for preparation

These interim condensed separate financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and the Regulation of the Minister of Finance of March 29, 2018 on current and periodic information provided by issuers of securities and conditions for recognizing information required by the laws of a non-member state as equivalent (the "Regulation").

These interim condensed separate financial statements of the Company should be read in conjunction with the interim condensed consolidated financial statements approved for publication by the Management Board and published on the same day as the interim condensed separate financial statements, in order to obtain complete information on the financial position of the SECO/WARWICK Capital Group as at June 30, 2025, and the financial result for the period from January 1, 2025, to June 30, 2025, in accordance with the International Financial Reporting Standards approved by the European Union. The interim condensed separate financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the separate financial statements for the year ended December 31, 2024, approved for publication on April 23, 2025.

II. Going concern assumption and comparability of financial statements

The interim condensed financial statements have been prepared on a going concern basis.

As at June 30, 2025, the Company's Management Board analyzed the possibility of continuing the Company's operations, taking into account the war in Ukraine, as well as, among other things, the current order portfolio, projected cash flow estimates, working capital value, current debt status, and available credit lines. Based on the analysis, the Company's Management Board did not identify any significant uncertainties regarding the Company's ability to continue as a going concern. The Issuer's Management Board also believes that the Russian invasion of Ukraine and the ongoing war there have no direct impact on the Company's operations, including the going concern assumption.

However, the Management Board is aware that military operations in Ukraine are characterized by high volatility and uncertainty, which may affect the Company's financial results in future periods.

III. Events that were not included in the accounting books for the reporting period, but should have been

As at the date of preparation of the interim condensed separate financial statements for the first half of 2025, there were no events that should have been included in the accounting books for the reporting period but were not. At the same time, these financial statements do not include any significant events relating to previous years.

IV. Description of the adopted accounting principles (policies), including methods of valuation of assets and liabilities as well as revenues and costs

The condensed separate interim financial statements are presented in Polish zlotys, and all values, unless otherwise indicated, are given in thousands (PLN thousand).

These interim condensed financial statements of the Company cover the 3- and 6-month periods ended June 30 June 30, 2025.

Comparative data is presented:

- as at December 31, 2024 for the separate statement of financial position,
- for the period from January 1, 2024 to June 30, 2024 and from April 1, 2024 to June 30, 2024 for the interim separate statement of comprehensive income,

- for the period from January 1, 2024 to June 30, 2024 for the interim separate statement of cash flows,
- for the period from January 1, 2024, to June 30, 2024, for the interim separate statements of changes in equity.

Other new or amended standards and interpretations that are applicable for the first time in 2025 , have no significant impact on the Company's interim condensed separate financial statements.

V. Significant values based on professional judgment and estimates

The condensed interim separate financial statements do not contain any significant changes in the estimated amounts presented in previous interim periods of the current financial year, nor any changes in the estimated amounts presented in previous financial years that would have a significant impact on the current interim period.

VI. Changes in accounting principles (policies) and adjustments

The condensed interim separate financial statements comply with the same principles accounting policies and calculation methods as in the last annual financial statements. These separate financial statements have been prepared in accordance with IFRS as adopted by the EU, issued and effective for reporting periods beginning on or after January 1, 2025.

1. New standards, interpretations, and amendments to existing standards that are effective in 2025.

- **Amendment to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures"**

  The amendments to IFRS 9 clarify the rules for recognizing liabilities in electronic payments, allowing for earlier derecognition in irrevocable payment systems, and introduce an additional SPPI test for financial instruments with ESG characteristics. In addition, they clarify the characteristics of contractually linked instruments (CLIs) and require additional disclosures for equity investments measured at fair value through other comprehensive income. This amendment had no impact on the Company's financial statements.

- **Amendments to IFRS 7 and IFRS 9 "Contracts for electricity from natural sources"**

  The amendments to IFRS enable better reflection of power purchase agreements (PPAs) for electricity from renewable sources by clarifying the exception for own use, extending the scope of hedge accounting, and introducing additional disclosure requirements regarding the impact of these agreements on financial performance. This change had no impact on the Company's financial statements.

- **Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates"**

  IAS 21 was amended to specify methods for estimating exchange rates for non-convertible currencies and to introduce requirements for disclosing the impact of such estimates on financial statements. This amendment had no impact on the Company's financial statements.

- **Annual improvements to IFRS accounting standards – Volume 11**

  The amendments relate to:
  • IFRS 1 First-time Adoption of International Financial Reporting Standards ;
  • IFRS 7 Financial Instruments: Disclosures;
  • IFRS 9 Financial Instruments;

- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

The amendment regarding the derecognition of lease liabilities applies only to lease liabilities that have expired since the beginning of the annual reporting period in which the amendment was first applied.

2. Standards and interpretations not applied in these financial statements

Standards and Interpretations	Type of anticipated change in accounting policy
Amendments to IFRS 18 "Presentation and Disclosure in Financial Statements." Effective for periods begun on or after January 1, 2027.	Introduction of a requirement for additional defined subtotals in the income statement, introduction of a requirement to disclose information on performance measures defined by management, and addition of new rules for grouping (aggregation and disaggregation) of information. IFRS 18 will replace IAS 1 Presentation of Financial Statements and will be effective for annual periods beginning on or after January 1, 2027.
Amendment to IFRS 19 "Pension Plans: Disclosure". Effective for annual periods beginning on or after January 1, 2027.	Introduction of new disclosure requirements for subsidiaries that do not have a public obligation to publish financial statements.
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture." Effective date postponed indefinitely.	The amendments clarify that in the case of a transaction involving an associate or joint venture, the scope of recognition of profit or loss depends on whether the assets sold or contributed constitute a venture, such that: ▪ The full gain or loss is recognized when a transaction between an investor and its associate or joint venture involves the transfer of an asset or assets that constitute a business (whether or not they are located in a subsidiary), while ▪ partial gain or loss is recognized when a transaction between an investor and its associate or joint venture involves assets that do not constitute a business, even if those assets are located in a subsidiary.

The Company has not decided to early adopt any standard, interpretation, or amendment that has been published but is not yet effective.
The Company's Management Board does not expect the application of the above new standards and interpretations to have a significant impact on the financial statements.

Note 1. REVENUES

The subject of agreements concluded with customers is the design, manufacture, and installation of metal heat treatment equipment, as well as the sale of spare parts and maintenance services for such equipment.

Such equipment is often dependent on the customer's infrastructure, such as existing installations and foundations. In addition, the equipment design process is highly complex due to the need to parameterize the equipment to the customer's expectations.

The Company's sales revenue and total revenue are as follows:

Specification	01.01.2025-June 30, 2025	01.01.2024 June 30, 2024	04/01/2025 June 30, 2025	01.04.2024 June 30, 2024
Sales of products and services	173,669	147,559	88,667	70,982
- including revenue recognized over time	*161,997*	*132,825*	*82,409*	*60,559*
Sales of goods and materials	243	445	131	203
TOTAL sales revenue	**173,911**	**148,004**	**88,798**	**71,185**
Other operating income	1,254	1,208	541	457
Financial income	8,588	13,607	6,043	11,776
TOTAL income	**183,754**	**162,819**	**95,382**	**83,419**

Revenue from sales broken down by geographical markets:

Specification	01.01.2025-June 30, 2025	01.01.2024 June 30, 2024	01.04.2025 June 30, 2025	01.04.2024 June 30, 2024
European Union	107,046	98,828	64,407	46,478
USA	8,694	11,160	474	6,730
Asia	40,652	32,165	17,285	14,894
Other	17,520	5,851	6,632	3,083
TOTAL revenue	**173,911**	**148,004**	**88,798**	**71,185**

All sales revenue recognized by the Company is accounted for in accordance with IFRS 15.

Revenue by product type	01.01.2025-June 30, 2025	01.01.2024 June 30, 2024	04/01/2025 June 30, 2025	04/01/2024-June 30, 2024
Vacuum Furnaces	55,604	66,505	30,663	28,785
Melting Furnaces	47,536	37,116	24,747	17,597
Aluminum Process	58,196	25,077	27,207	12,088
Aftersales - maintenance services	12,576	19,295	6,181	12,707
Other	-	10	-	8
TOTAL revenue	**173,911**	**148,004**	**88,798**	**71,185**

Note 2. OPERATING SEGMENTS

Information on individual segments is presented in Note 2 to these interim condensed consolidated financial statements.

Note 3. OPERATING EXPENSES

COSTS BY TYPE	01.01.2025-June 30, 2025	01.01.2024 June 30, 2024	04/01/2025 June 30, 2025	04/01/2024-June 30, 2024
Depreciation	4,684	4,248	2,369	2,128
Consumption of materials and energy	67,835	62,836	40,404	30,564
External services	18,588	17,707	10,617	8,064
Taxes and fees	671	578	325	284
Salaries	40,903	39,987	20,258	19,775
Social security and other benefits	11,341	10,838	6,262	5,674
Other costs by type	6,151	5,927	2,911	3,353
Total costs by type, including including:	**150,173**	**142,120**	**83,146**	**69,841**
Costs of sales	-10,304	-10,268	-5,684	-5,571
General and administrative expenses	-15,296	-14,146	-8,060	-6,944
Change in inventory	12,823	2,534	-486	466
Cost of manufacturing products on own needs	-3781	-2,997	-1,699	-1,120
Cost of goods sold products and services	**133614**	**117,242**	**67,217**	**56,672**

Note 4. OTHER OPERATING INCOME AND EXPENSES

OTHER OPERATING INCOME	01.01.2025 06/30/2025	01.01.2024 June 30, 2024	01.04.2025 June 30, 2025	01.01.2024 June 30, 2024
Profit on the sale of tangible assets fixed	1	60	1	3
Compensation and penalties received	-	305	-	130
Revenue from the rental of tangible assets of subsidiaries' fixed assets and investment	100	107	50	56
Services provided to companies properties	327	386	164	218
Settlement of leases in connection with non-exercise of the purchase option of the leased asset	382	-	167	-
Other	444	349	157	50
Total other operating income	**1,254**	**1,208**	**541**	**457**

OTHER OPERATING EXPENSES	01.01.2025 06/30/2025	01.01.2024 June 30, 2024	01.04.2025 June 30, 2025	01.01.2024 June 30, 2024
Creation of a write-off for work in progress	603	153	603	133
Creation of a write-off for materials	81	147	81	129
Court costs, damages, penalties	-	574	-	439
Costs related to income from the lease of tangible fixed assets	356	461	161	202
Accounting for lease liabilities in connection with the return of cars	-	392	-	197
Other	133	97	118	33
Total other operating expenses	**1,173**	**1,825**	**962**	**1,132**

Impairment of receivables and assets contractual	01.01.2025 June 30, 2025	01.01.2024 June 30, 2024	04/01/2025 June 30, 2025	01.01.2024 June 30, 2024
Impairment of receivables	46	89	46	89
Impairment of contractual assets	-	-	-	-
Impairment of receivables and contractual assets contract assets	**46**	**89**	**46**	**89**

Note 5. FINANCIAL INCOME AND EXPENSES

FINANCIAL INCOME	01.01.2025- June 30, 2025	01.01.2024 June 30, 2024	04/01/2025- June 30, 2025	04/01/2024- June 30, 2024
Interest income	85	64	55	49
Dividend income	4,709	10,481	4,709	10,481
Result on derivative instruments	3,794	2,746	1,278	991
Excess of positive exchange rate differences over negative	-	316	-	255
Total financial income	**8,588**	**13,607**	**6,043**	**11,776**

FINANCIAL COSTS	01.01.2025 06/30/2025	01.01.2024 June 30, 2024	01.04.2025 June 30, 2025	04/01/2024 June 30, 2024
Interest on bank loans	1,882	1,761	799	991
Interest on leases	505	435	246	219
Excess of foreign exchange losses over positive	2655	-	621	-
Other	5	7	2	-
Total financial costs	**5,047**	**2,203**	**1,668**	**1,209**

Note 6. INCOME TAX

The effective tax rate for the six months ended June 30, 2025 was 15%, which is comparable to the same period in the previous year.

Note 7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment	June 30	Dec. 31, 2024
Land	32	32
Buildings and structures	31,056	30,832
Technical equipment and machinery	16,192	15,387
Means of transport	197	223
Other	2,397	2,203
Total	**49,874**	**48,677**
Tangible fixed assets under construction	1,671	2,106
Total tangible fixed assets	**51,545**	**50,783**

Note 8. ASSETS UNDER USUFRUCT RIGHTS

Assets arising from rights of use	June 30, 2025	Dec. 31, 2024
Land	2,797	2,418
Buildings and structures	260	434
Technical equipment and machinery	1,303	2,238
Means of transport	2,305	2,778
Total assets from rights of use	**6,666**	**7,868**

Note 9. INTANGIBLE ASSETS

Intangible assets	June 30, 2025	31.12.2024
Patents, concessions, licenses, software	3,279	3,487
Development costs	44,081	44,959
Other intangible assets	237	316
Total intangible assets	**47,598**	**48,764**

Note 10. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

As at 30 June 2025	Gross value of shares	Write-downs on shares	Carrying amount of shares	Percentage held shares	Percentage held of votes
SECO/WARWICK Corporation	21,806	21,806	-	100	100%
SECO/WARWICK Rus	172	172	-	100	100
RETECH Systems LLC	50,863	-	50,863	100	100
SECO/WARWICK Retech Thermal Equipment Manufacturing Tianjin Co. Ltd.	7,601	-	7,601	93	93
OOO SCT Russia	4,228	4,228	-	50	50
SECO/WARWICK Germany GmbH	6,035	6,035	-	100	100
SECO/WARWICK India PVT. Ltd.	8,356	-	8,356	100	100
SECO/WARWICK Service Sp. z o.o.	3,412	26	3,386	100	100
SECO WARWICK USA Holding LLC	16,273	-	16,273	100	100
Total	**118,746**	**32,267**	**86,479**		

As of 31.12.2024	Gross value of shares	Write-offs on shares	Balance sheet value of shares	Percentage of shares held	Percentage of votes held
SECO/WARWICK Corporation	21,806	21,806	-	100	100
SECO/WARWICK Rus	172	172	-	100	100
RETECH Systems LLC	50,863	-	50,863	100	100
SECO/WARWICK Retech Thermal Equipment Manufacturing Tianjin Co. Ltd.	7,601	-	7,601	93	93
OOO SCT Russia	4,228	4,228	-	50	50
SECO/WARWICK Germany GmbH	6,035	6,035	-	100	100
SECO/WARWICK India PVT. Ltd.	6,149	-	6,149	100	100%
SECO/WARWICK Service Sp. z o.o.	3,412	26	3,386	100	100
SECO WARWICK USA Holding LLC	16,273	-	16,273	100	100
Total	**116,539**	**32,267**	**84,272**		

Note 11. IMPAIRMENT LOSSES ON ASSETS

Balance of impairment losses as at	June 30, 2025	31.12.2024
Contract assets	224	224
Trade receivables	9,950	9,950
Shares in subsidiaries	32,273	32,273
Inventories	**7,086**	**6,403**

REVALUATION WRITE-OFFS OF TRADE RECEIVABLES	01.01.2025- June 30, 2025	01.01.2024 June 30, 2024
Opening balance	**9,950**	**8,459**
Increases, including:	**-**	**12**
- creation of revaluation write-offs	-	12
Decreases, including:	**-**	**-**
- reversal of impairment losses	-	-
Closing balance	**9,950**	**8,471**

REVALUATION WRITE-OFFS SHARES	01.01.2025- June 30, 2025	01.01.2024 June 30, 2024
Opening balance	**32,273**	**32,267**
Increases, including:	**-**	**-**
- creation of revaluation write-offs	-	-
Decreases, including:	**-**	**-**
- reversal of impairment losses	-	-
Closing balance	**32,273**	**32,267**

REVALUATION WRITE-OFFS	01.01.2025- June 30, 2025	01.01.2024 June 30, 2024
Opening balance	**6,403**	**9,846**
Increases, including:	**683**	**30**
- creation of revaluation allowances	683	300
Decreases, including:	**-**	**1,137**
- reversal of impairment losses	-	1,137
Closing balance	**7,086**	**9,008**

REVALUATION WRITE-OFFS LOANS	01.01.2025 June 30, 2025	01.01.2024 June 30, 2024
Opening balance	-	**1,421**
Increases, including:	-	**6**
- creation of revaluation allowances	-	6
Decreases, including:	-	**1,427**
- reversal of impairment losses	-	1,427
Balance sheet closing balance	-	-

Note 12. OTHER FINANCIAL ASSETS AND LIABILITIES

Derivative financial instruments

	June 30, 2025		31.12.2024	
	Assets	Liabilities	Assets	Liabilities
Derivative financial instruments	4,287	-	1,764	183
Total hedging instruments				
- long-term	32	-	-	20
- short-term	4,255	-	1,764	163

Disclosures regarding derivative instruments meeting the criteria for hedge accounting

The Company applies cash flow hedge accounting to currency risk arising from future, highly probable cash flows related to the Company's foreign currency revenues resulting from the sale of goods in foreign currencies.

Hedging of currency risk

As part of its risk management strategy, which consists in particular of managing the currency risk of revenues denominated in foreign currencies resulting from the Company's export sales of products, the Company enters into appropriate currency forward contracts to hedge its projected cash flows. The purpose of the measures taken by the Company to hedge against the risk of exchange rate fluctuations (the Company hedges EUR and USD currencies) is to limit the volatility of revenues denominated in foreign currencies from the sale of goods.

The Company enters into FX Forward hedging instruments with settlement dates matched to the expected dates of realization of the hedged sales revenues. The Company hedges up to 80% of its revenues over a maximum horizon of 2 calendar years. Due to possible shifts in the timing and amount of cash flows, the Company assumes the possibility of adjusting forward contracts constituting hedging instruments, in particular by entering into FX Swap contracts with appropriate parameters.

The hedging instruments are:

- FX Forward contracts for the sale of foreign currency (EUR, USD, or GBP),
- FX Swap contracts postponing payment dates, in the same currencies as the original FX Forward contracts FX Forward contracts.

The company determines whether there is an economic link between the hedged item and the hedging instrument by comparing the key terms of the hedged item and the hedging instrument

, in particular the maturity date, currency of the flow, and amount of the flow in the foreign currency
.

The Company has set the hedge ratio at 1 : 1 by comparing the nominal values of the foreign currency cash flow from the hedging instrument and the hedged position.

In terms of currency risk in cash flow hedging relationships, the main sources of ineffectiveness identified by the Company are:

- the non-linearity of swap points affecting other forward rates resulting from the rollover of a derivative instrument than the forward rates obtained for the same maturity without taking into account the rollover (using a single FX Forward instrument),
- the impact of credit risk on the fair value of currency forward contracts.

The Company does not identify any sources of inefficiency other than those indicated above in relation to the currency hedging arrangements used.

Numerical disclosures concerning all hedging arrangements used in total*:* Amount, distribution over time, and uncertainty of future cash flows

The table below presents the nominal values of hedging instruments and their distribution over time as at June 30, 2025:

	REMAINING TIME TO MATURITY					TOTAL
	UP TO 1 MONTH	FROM1TO 3 MONTHS	FROM3MONTHS UP TO 1 YEAR	FROM 1 TO 5 YEARS	OVER 5 YEARS	
CASH FLOW HEDGING						
CURRENCY RISK						
EUR/PLN FX Forward Contracts (including FX Swaps)						
Value nominal (thousand EUR)	-	8,949	10,438	1000	-	**20,387**
Average exchange rate transaction	-	4.43	4.41	4.41	-	**4.42**
USD/PLN FX Forward Contracts (including FX Swaps)						
Value nominal (thousand USD)	1,900	200	2,000	-	-	**4,100**
Average exchange rate Transaction	4.11	3.93	4.12	-	-	**4.10**
GBP/PLN FX Forward Contracts (including FX Swaps)						
Value (thousand USD)	-	-	-	-	-	**-**
Average exchange rate transaction	-	-	-	-	-	**-**

Effects of hedge accounting on the financial position and results:

The table below presents the impact of cash flow hedging on the balance sheet and financial result in relation to hedging instruments as at 30 June 2025:

Type instrument measurement	Unit of	Value Nominal June 30, 2025	Assets 06/30/2025	Liabilities 06/30/2025	Name of item in balance sheet that contains the hedging instrument	Changes in value fair value of the hedged item (as a basis for determining the ineffective portion in a given period)	Gains or losses from of title collateral for the reporting period that has been included in other comprehensive income	Amount ineffectiveness of the hedge recognized in the income statement profit and loss	Item statement total income (statement of income), in which the amount ineffectiveness	Amount reclassified from total from the hedge reserve cash flow cash flows to financial result as an adjustment for reclassification	Item in the statement income (profit and loss account), which includes an adjustment for reclassification reclassification
Forward sale Currency	EUR	86,363	2,372	-	Derivatives instruments financial	2,372	2,300	-	Revenue / expenses financial	2,590	Revenues / expenses financial
Forward sales Currency	USD	14,833	1,915	-	Derivatives financial financial	1,915	1,458	-	Revenues / financial financial	985	Revenue / financial financial
Forward sales Currency	GBP		-	-	Derivatives financial financial	-	-	-	Revenues / financial financial	-	Revenue / financial financial
TOTAL		**101,196**	**4,287**	**-**		**4,287**	**3,757**			**3,575**	

And as at 30 June 2024:

Type of instrument	Unit of measurement	Value Nominal June 30, 2024	Assets June 30, 2024	Liabilities 06/30/2024	Name of the balance sheet item that contains instrument hedging	Changes in the fair value of the hedged item (as a basis for determination of the portion ineffective in the given period)	Gains or losses on hedging for the reporting period, which have been recognized in other comprehensive income	Amount inefficiencies hedging included in the profit and loss account), in gains and losses	Item in the statement of comprehensive income (income statement) which was recognized amount ineffectiveness	Amount reclassified from the cash flow hedge reserve to financial result as adjustment for reclassification	Item in the statement of comprehensive income (profit and loss account losses), which includes an adjustment for title reclassification
Forward sale currency	EUR	85,007	3,849	-	Remaining assets	3849	3576	-	Financial income/expenses	3530	Financial income/expenses
Forward sales Currency	USD	11,693	139	7	Other financial assets	132	89	-	Financial income / expenses	13	Financial income/expenses
Forward sale currency	GBP		-	-	Remaining financial assets	-	-	-	Revenues / financial expenses	-	Financial income/expenses
R AZEM		**96,699**	**3,988**	**7**		**3,981**	**3,665**	-		**3,543**	

The table below presents the impact of cash flow hedging on the balance sheet and financial result in relation to hedged items as at 30 June 2025:

PLN thousand	Change in the value of the hedged item used as the basis for recognizing hedge ineffectiveness in a given period	Balance of the cash flow hedge reserve cash flows for continuing hedges	Balance remaining in the cash flow hedge reserve for for all hedging relationships for which hedge accounting is no longer applied is no longer applied
30.06.2025	**CASH FLOW HEDGING CURRENCY RISK**		
Revenue in EUR from the sale of goods	-2,372	1,054	-
Revenue in USD from from the sale of goods	-1,915	699	-
Revenue in GBP from sales goods	-	-	-
TOTAL	**-4,287**	**1,752**	-

The table below presents the change in the cash flow hedge reserve during the reporting period:

	2025-06-30	2024-06-30
BALANCE AT THE BEGINNING OF THE PERIOD	**778**	**1,115**
	CASH FLOW HEDGING CURRENCY RISK	
Gains or losses resulting from hedging, recognized in other comprehensive income during the reporting period	3,757	3,666
Part of the loss transferred to the income statement due to the absence of an expectation that the hedged item will occur	nd	nd

Amount reclassified from the provision for the hedging cash to the profit and loss account (sales revenue) as an adjustment due to reclassification	3,575	3,543
END OF PERIOD	**960**	**1,237**

Note 13. TRADE RECEIVABLES AND OTHER SHORT-TERM RECEIVABLES

Specification	June 30, 2025	31.12.2024
a) from related entities	**26,104**	**25,219**
- trade, with a repayment period of up to 12 months	20,319	25,219
- dividend receivables	4,709	-
- advances and deposits paid	1,076	-
b) from other entities	**37,446**	**33,586**
- trade, with a repayment period of up to 12 months	27,218	23,210
- taxes, customs duties, social security and other benefits	7,087	4,800
- income tax	2,059	4,231
- other, including:	1,081	1,345
advances paid to suppliers	649	1,116
Trade receivables and other net receivables, total	**63,549**	**58,805**
Impairment loss on receivables	9,950	9,950
Total trade and other receivables, gross	**73,499**	**68,755**

The Company performs individual and collective impairment tests on trade receivables. Receivables are tested individually when there is objective evidence of impairment that may have a negative impact on future cash flows. Significant objective evidence includes, for example, legal action against the debtor, serious financial problems of the debtor, or significant payment delays. For short-term trade receivables analyzed collectively that do not have a significant financing component, the Company applies the simplified approach required by IFRS 9 and measures impairment losses at the amount of credit losses expected over the entire life of the receivable from the moment of its initial recognition. The Company uses an impairment matrix in which impairment losses are calculated for trade receivables classified into different periods of delinquency.

Note 14. TRADE AND OTHER PAYABLES

Trade payables and other liabilities	June 30, 2025	31.12.2024
a) for supplies and services, with a maturity of up to 12 months	40,870	27,564
b) for taxes, customs duties, insurance, and other benefits (excluding tax income tax)	6349	6121
c) investment liabilities	39	494
d) other	303	1,094
TOTAL	**47,561**	**35,274**

Note 15. SHORT-TERM EMPLOYEE BENEFIT LIABILITIES

Short-term employee benefit liabilities	June 30, 2025	Dec. 31, 2024
- liability for unused vacation leave	2,921	1,889
- bonus liability	5,474	9,423
- liabilities due to retirement and disability severance pay	31	31
- current liabilities due to remuneration	4,863	5,061
	13,289	**16,403**

Note 16. LOANS AND BORROWINGS

Loans and borrowings	June 30, 2025	31.12.2024
Overdrafts	50,726	53,802
Investment credit	19,343	3,223
Credit card limits	135	207
Total	**70,204**	**57,231**

Loans and borrowings	
As of January 1, 2025	57,231
Increases, including:	**17,616**
- taking out an investment loan	17,616
Decreases, including:	**4,643**
- repayment of loans in the account	3,076
- repayment of investment loan	1,496
- repayment of credit card limits	71
As of June 30, 2025	**70**

Note 17. DIVIDENDS PROPOSED OR APPROVED BY THE DATE OF APPROVAL OF THE FINANCIAL STATEMENTS

On April 23, 2025, the Supervisory Board of SECO/WARWICK S.A. approved the motion of the Management Board of SECO/WARWICK S.A. Management Board expressed in Resolution No. 9/2025 of the Management Board of SECO/WARWICK S.A. of April 23, 2025 on the distribution of the net profit of SECO/WARWICK S.A. for 2024.
On April 23, 2025, in Current Report No. 3/2025, the Company announced the Management Board's recommendation regarding the payment of dividends. In its recommendation, the Management Board proposed that the Company's net profit in the amount of PLN 20,903,169.60 (in words: twenty million nine hundred and three thousand one hundred and sixty-nine zlotys 60/100) be distributed as follows:

A portion of the net profit in the amount of PLN 8,734,907.00 (in words: eight million seven hundred thirty-four thousand nine hundred seven zlotys 00/100) is allocated to the payment of dividends to shareholders,
Part of the net profit in the amount of PLN 12,168,262.60 (in words: twelve million one hundred sixty-eight thousand two hundred sixty-two zlotys 60/100) to the Company's reserve capital.

In addition, the Company's Management Board recommended that the date of determining the right to dividend (D-day) be June 16, 2025, and that the dividend be paid (W-day) on June 23, 2025.

On June 9, 2025, the Ordinary General Meeting distributed the Company's net profit for 2024 in accordance with the recommendation of the Company's Management Board.

Note 18. TRANSACTIONS WITH RELATED PARTIES

Related entity	Perio d	Receivables from related entities	Liabilities to related entities
SECO/WARWICK Corporation			
	June 30, 2025	9,133	492
	12/31/2024	578	105
RETECH Systems LLC			
	June 30, 2025	98	235
	12/31/2024	236	64
SECO/WARWICK RETECH Thermal Equipment Manufacturing Tianjin Co. Ltd.			
	June 30, 2025	6,639	3,938
	12/31/2024	7,372	4,001
SECO VACUUM TECHNOLOGIES LLC			
	June 30, 2025	-	-
	12/31/2024	13,334	194
SECO/WARWICK Germany GmbH			
	June 30, 2025	742	-
	12/31/2024	700	-
SECO/WARWICK Services Sp. z o.o.			
	June 30, 2025	2,136	24
	31.12.2024	2,224	20
SECO/WARWICK Rus			
	June 30, 2025	-	-
	December 31, 2024	-	-
SECO/WARWICK India PVT. Ltd.			
	June 30, 2025	1,047	68
	12/31/2024	247	-
SECO/WARWICK India PVT. Ltd. (DUBAI BRANCH)			
	06/30/2025	524	-
	12/31/2024	527	-

Related entity	perio	Sales to related entities	Purchases from related entities
SECO/WARWICK Corporation			
	01.01.2025-30.06.2025	724	-
	01.04.2025-30.06.2025	105	-
	01.01.2024-30.06.2024	88	29
	01.04.2024-30.06.2024	9	29
RETECH Systems LLC			
	01.01.2025-30.06.2025	1,219	1,721
	01.04.2025-30.06.2025	689	283
	01.01.2024-30.06.2024	1,023	132
	01.04.2024-30.06.2024	594	108
SECO/WARWICK RETECH Thermal Equipment Manufacturing Tianjin Co. Ltd.			
	01.01.2025-30.06.2025	1,544	1,024
	01.04.2025-30.06.2025	686	336
	01.01.2024-30.06.2024	2,197	1,748
	01.04.2024-30.06.2024	1,412	590
SECO VACUUM TECHNOLOGIES LLC			
	01.01.2025-30.06.2025	8,207	354
	01.04.2025-30.06.2025	150	66
	01.01.2024-30.06.2024	5,355	139
	01.04.2024-30.06.2024	4,909	59
SECO/WARWICK Germany GmbH			
	01.01.2025-30.06.2025	46	-
	01.04.2025-30.06.2025	2	-
	01.01.2024-30.06.2024	167	136
	01.04.2024-30.06.2024	58	-
SECO/WARWICK Services Sp. z o.o.			
	01.01.2025-30.06.2025	3,677	206
	01.04.2025-30.06.2025	1,794	94
	01.01.2024-30.06.2024	3,010	144
	01.04.2024-30.06.2024	1,219	69
SECO/WARWICK Rus			
	01.01.2025-30.06.2025	-	-
	01.04.2025-30.06.2025	-	-
	01.01.2024-30.06.2024	-	-
	01.04.2024-30.06.2024	-	-
SECO/WARWICK India PVT. Ltd.			
	01.01.2025-30.06.2025	796	67
	01.04.2025-30.06.2025	367	67
	01.01.2024-30.06.2024	128	-
	01.04.2024-30.06.2024	12	-

Note 19. FAIR VALUE HIERARCHY

All derivatives are classified by the Company at level 2 of the fair value hierarchy. The method and technique of measuring financial instruments at fair value have not changed compared to the method and technique of measurement as at December 31, 2024. Both in the reporting period and in the comparative period, the Company did not make any transfers between the individual levels of the fair value hierarchy of financial instruments, nor did it change the classification of instruments as a result of a change in the purpose or use of those instruments.

There are no significant differences between the carrying amount and fair value of financial assets and liabilities
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	June 30, 2025		
	Level 1	Level 2	Level 3
	PLN'000	PLN'000	PLN'000
Financial assets			
Derivative financial instruments	-	4,287	-
- Currency forward contracts (long-term) (short-term)	-	32	-
- Forward currency contracts	-	4,255	-
Financial liabilities	-	4,287	-
Total			
short-term			
Forward currency contracts	-	-	-
long-term			
Forward currency contracts	-	-	-
Total	-	-	-

Note 20. INFORMATION ON SEASONALITY OR CYCLICALITY OF ACTIVITIES IN THE INTERIM PERIOD

There are no significant seasonal or cyclical phenomena in the activities conducted by SECO/WARWICK S.A. of a seasonal or cyclical nature.

Note 21. INFORMATION ON EVENTS THAT ARE UNUSUAL IN TERMS OF THEIR TYPE, SIZE OR FREQUENCY

WAR IN UKRAINE

As at the date of this report, the armed conflict in Ukraine has no significant negative impact on the Company's operations. However, based on current observations, the Company identifies the following main areas of potential impact of the war in Ukraine on the Company's operations and financial situation:

- increased exchange rate volatility,
- global economic downturn accompanied by rising inflation (stagflation stagflation),

- increased geopolitical risk translating into the risk of reduced investment activity in the industries served by the Company,
- deepening turmoil in supply chains – problems with the availability of selected components, raw materials, and materials, e.g., steel, and a significant increase in their prices,
- rising energy costs (electricity, fuel, and natural gas),
- interest rate increases resulting in higher financing costs,
- risks in the area of IT.

CUSTOMS DUTIES IMPOSED BY THE US

The tariffs currently in force and gradually extended by the US are having an increasing impact on the operations of the SECO/WARWICK Group. This particularly applies to the production of equipment in Poland and exported to the US market. In addition to the existing tariffs on steel and aluminum, new, increased tariffs were introduced in 2025, covering, among others, copper and copper products, automotive parts, industrial machinery and a wide range of goods from countries outside the US trade agreements.

The regulations introduced increase the risk of disruptions in global supply chains and generate cost pressure on the purchase of components and raw materials that are important from the perspective of the Group's operations
. An additional threat is posed by potential retaliatory measures by China and other US trading partners, which may lead to further destabilization of the market environment and increased uncertainty regarding the implementation of investment plans by the Group's customers.

As a result, growing trade and geopolitical tensions may lead to the postponement or reduction of investments by end users, which will have a negative impact on the level of orders and the Group's financial results in subsequent quarters.

Note 22. ISSUES, REDEMPTIONS AND REPAYMENTS OF DEBT AND EQUITY SECURITIES

No such events occurred.

Note 23. OFF-BALANCE SHEET ITEMS

Contingent liabilities

Contingent liabilities arising from bank guarantees granted to fulfill contractual conditions and from sureties as at June 30, 2025 amounted to PLN 94,349 thousand, while at the end of 2024 they amounted to PLN 107,615 thousand.

Note 24. SETTLEMENTS RELATED TO COURT PROCEEDINGS

In the first half of 2025, no significant proceedings concerning the liabilities or receivables of SECO/WARWICK S.A. with any contractor or its Group were conducted before a court, an arbitration body, or public administration authorities.

Detailed information on court cases is included in item 24 of the Management Board Report of SECO/WARWICK S.A. on the Company's operations for the year ended December 31, 2024. As at the date of approval of this report for publication, the Company performed a reassessment, which did not result in any necessary changes.

Note 25. SIGNIFICANT EVENTS AFTER THE END OF THE INTERIM PERIOD THAT ARE NOT REFLECTED IN THE FINANCIAL STATEMENTS

No such events occurred.

Note 26. MANAGEMENT OPTIONS

SECO/WARWICK S.A. Incentive Program

On December 14, 2023, the Supervisory Board, by Resolution No. 1/2023, set individual targets for 2024 for participants in the Incentive Program, as announced by the Company in Current Report No. 19/2023 of December 14, 2023. The achievement of individual targets is a condition for granting Program participants the rights under the Program, provided that they remain in an employment relationship with the Company in the period from January 1, 2024, to December 31, 2024. These targets were approved by the General Meeting of Shareholders in Resolution No. 21 on June 13, 2024.

In the case of both the Incentive Program for 2023 and 2024, the targets relate to the financial and operating indicators of individual subsidiaries, organizational units related to specific technologies, or the entire Capital Group, depending on the function performed by a given Program participant.

The implementation of the targets for 2023 was approved by the Ordinary General Meeting by Resolution No. 22 of June 13, 2024.

The implementation of the targets for 2024 was approved by the Ordinary General Meeting by Resolution No. 21 of June 9, 2025.

The costs incurred in 2024 in connection with the Incentive Program for 2022-2024 amounted to PLN 1,342 thousand PLN.
The costs incurred in the first half of 2025 in connection with the Incentive Program for 2022-2024 amounted to PLN 253 thousand.

Date: September 11, 2025

President of the Management Board

Sławomir Woźniak

Member of the Management Board

Bartosz Klinowski

Member of the Management Board

Earl Good

Member of the Management Board

Piotr Walasek