



**Consolidated Periodic Report
of the
Saule Technologies S.A.
Group**

Second Quarter 2024

Management Board's Letter

Dear Ladies and Gentlemen,

On behalf of the issuer, Saule Technologies S.A., we present to you the consolidated periodic report summarizing the activities of the Saule Technologies Capital Group for the second quarter of 2024.

The Saule Technologies Group is developing and bringing to market a new generation of ultra-thin and flexible perovskite-based photovoltaic cells. Our technology allows their application on most surfaces, from building facades, light breakers in windows, car roofs, small IoT devices, to yacht sails.

Our technology and the work of the entire team have been recognized with prestigious awards. On July 9, 2024, during the European Inventor Award 2024 ceremony, the European Patent Office (EPO) honored Olga Malinkiewicz, Co-Founder and Chief Technology Officer of SAULE S.A., and the Saule team as winners in the "SMEs" (Small and Medium-sized Enterprises) category.

We were recognized for our innovative, printed thin-film perovskite cells, which are flexible, lightweight, and whose production is more sustainable and energy-efficient than traditional manufacturing methods. Additionally, we won the Popular Prize awarded by the public, which shows that our technology is widely appreciated and recognized as a significant contribution to improving renewable energy technology.

The European Inventor Award is a prestigious distinction granted by the EPO since 2006. The award aims to honor outstanding inventors from around the world who have contributed to technological progress, economic development, and improving the quality of life.

This recognition provides additional motivation to continue our work. We are focused on implementing our technology in various fields of life and industry.

One of our priorities is to work on securing the funding necessary to launch large-scale production of photovoltaic panels for the building-integrated photovoltaics (BIPV) segment. Saule Technologies aims to be part of the rapid growth of the BIPV segment by collaborating with renowned partners.

As we reported in the current report No. 23/2023 dated December 22, 2023, following the analysis conducted by the Management Board of Saule Technologies S.A. on the technological readiness and expected future results of the company, the Management Board decided to review strategic options. The purpose of this process was to accelerate and intensify the company's development by selecting the most advantageous form of financing for its development plans. Consequently, as part of the ongoing strategic option review process, on March 19 and 20, 2024, the company, among others, signed an agreement expressing the intention to prepare for the process of acquiring a strategic investor for the technology developed by Saule SA. As indicated in the agreement, this may involve the sale by Saule Technologies SA of up to 100% of the shares in Saule SA (or a similar transaction aimed at commercializing and scaling up the production technology of perovskite cells) to an external investor.

Currently, the process of finding an investor is being continued by taking further steps. We are determined to complete this process quickly and successfully. However, time and our intensive, joint, ongoing effort are needed.

We invite you to familiarize yourself with the Q2 2024 Report of the Saule Technologies Group.

The Management Board of Saule Technologies

Olga Malinkiewicz - Member of the Management Board

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1. GENERAL INFORMATION



1.1. Basic information about the Parent Company

Company Name:	SAULE TECHNOLOGIES S.A. ("Parent Company", "Issuer")
Headquarters:	ul. Duńska 11, 54-427 Wrocław
Website:	www.sauletech.com
KRS:	0000284645
REGON:	300623460
NIP:	7811809934

Management Board of the Parent Company during the reporting period:

Olga Malinkiewicz	Member of the Management Board
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Supervisory Board of the Parent Company as of the report publication date:

Dariusz Chrząstowski	Chairman of the Supervisory Board
Dawid Zieliński	Member of the Supervisory Board
Michał Gondek	Member of the Supervisory Board
Tomasz Gondek	Member of the Supervisory Board
Arkadiusz Krzemiński	Member of the Supervisory Board
Anna Szymańska-Piper	Member of the Supervisory Board

No changes occurred in the composition of the Supervisory Board in Q2 2024.

1.2. Composition of the Capital Group

As of June 30, 2024, the Saule Technologies Group consists of:

- Saule Technologies S.A. (the "Parent Company")
- Saule S.A. (a subsidiary) in which the Issuer holds 73.51% of the share capital.
- Solaveni GmbH, registered in Bönen, Germany (HRB 11103), a 100% subsidiary of Saule S.A.

Pursuant to Article 58 of the Accounting Act, due to the immateriality of the financial data of Solaveni GmbH, the Group does not consolidate the financial statements of this company. In the first half of 2024, Solaveni recorded sales revenues of EUR 4,425.71, other revenues of EUR 173,669.68, and a net loss of EUR 130,155.25. The company's balance sheet total as of June 30, 2024, amounted to EUR 1,073,757.08.

1.3. Shareholding structure of the Issuer as of the publication date of the report for the second quarter of 2024

Shareholding structure of the Issuer as of August 14, 2024:

Shareholder	Number of shares	Number of votes	Share in total shares	Share in total votes
Shareholders' Agreement* (including):	70 668 583	70 668 583	85,28%	85,28%
- Columbus Energy S.A.	17 280 021	17 280 021	20,85%	20,85%
- Olga Malinkiewicz	14 488 368	-	17,48%	-
- Knowledge Is Knowledge Sp. z o.o Sp.k.	14 388 368	14 388 368	17,36%	17,36%
- H.I.S. Co., Ltd	13 821 783	13 821 783	16,68%	16,68%
- Dariusz Chrzastowski	5 529 819	5 529 819	6,67%	6,67%
- Artur Kupczunas	5 160 223	3 138 497	6,23%	3,79 %
- DC24 ASI Sp. z o.o.**	1	16 510 095	0,000001%	19,92%
Total Number of Shares of the Issuer	82 866 662		100,00%	

* Agreement - On June 12, 2023, in connection with the conclusion of an Investment Agreement, a Multilateral Shareholders Agreement was entered into by Saule Technologies S.A. and Saule S.A., defining the principles of cooperation among the parties. Under this agreement, the parties formed a contractual arrangement regarding joint and unified voting at the General Meeting of the Issuer and established rules for developing a common and unified position. On June 16, 2023, the Company received a notification submitted in accordance with Article 69(1)(1) in conjunction with Article 87(1)(5) of the Act of July 29, 2005, on public offerings and the conditions for introducing financial instruments to an organized trading system, as well as on public companies, about the conclusion of this agreement by the Shareholders: Artur Kupczunas, Olga Malinkiewicz, Knowledge Is Knowledge Limited Partnership, Dariusz Chrzastowski, H.I.S. Co., Ltd., a company based in Tokyo, Japan; Columbus Energy S.A., and DC24 Alternative Investment Company LLC. The content of the notification was published by the Company in ESPI report No. 13/2023 dated June 16, 2023.

** According to the notification submitted on April 29, 2024, in fulfillment of the obligations specified in Article 69(1)(1) in conjunction with Article 69a(3) and in conjunction with Article 69a(1)(3) of the Act on Public Offering, about which the Company informed in Current Report No. 7/2024, DC24 ASI LLC, a subsidiary of Piotr Kurczewski, holds:

- Directly 1 share of the Issuer entitling it to 1 vote in the total number of votes at the Company's General Meeting;
- Based on the Pledge Agreement, as a pledgee, the right to vote from 2,021,726 shares in the Company's share capital, which corresponds to a 2.44% stake in the share capital and the total number of votes at the Company's General Meeting according to the current share capital;
- Directly 18,967,485 Subscription Warrants, which, after the ineffective expiration of the deadline of June 30, 2024, do not entitle to acquire 18,967,485 shares in the Company's share capital;
- As a result of concluding civil and registered pledge agreements on April 23, 2024, with Olga Malinkiewicz on 14,488,368 ordinary bearer shares of Saule Technologies S.A., DC24 holds 14,488,368 votes in the Company.

Conditional Capital

On September 21, 2023, the District Court for the Capital City of Warsaw in Warsaw, 14th Commercial Division of the National Court Register, registered an amendment to the Issuer's Articles of Association by repealing the previous version and adopting a new consolidated version. The registration included, among others, § 8A concerning the conditional increase of the share capital. The Company's share capital was conditionally increased by an amount not exceeding PLN 9,483,742.50 (nine million four hundred eighty-three thousand seven hundred forty-two 50/100) through the issuance of no more than 18,967,485 (eighteen million nine hundred sixty-seven thousand four hundred eighty-five) Series F bearer shares, with a nominal value of PLN 0.50 (fifty groszy) per share, to grant the rights to acquire Series F shares to holders of Series A subscription warrants issued based on Resolution No. 5/07/2023 of the Extraordinary General Meeting dated July 28, 2023, regarding the issuance of registered Series A subscription warrants.

On December 4, 2023, based on the agreement for the acquisition of subscription warrants by DC24 Alternative Investment Company LLC, based in Warsaw (the Investor), in execution of the investment agreement, the Investor acquired 18,967,485 subscription warrants, with each subscription warrant entitling the holder to acquire 1 Series F share in the Issuer's share capital.

The final number of shares of the new issuance to which the Investor will be entitled and their issue price will be determined on the day the Investor submits a notification of share acquisition, in accordance with the content of the Investment Agreement, based on the total amount of the loan disbursed, including accrued interest, and the total number of Issuer's shares on that day. The acquisition of shares in execution of the subscription warrants will take place based on a statement submitted to the Issuer by the Investor no later than June 30, 2024.

As of the publication date of this report, the Company has not received a statement from the Investor. Therefore, upon the ineffective expiration of the specified deadline, the Investor lost the right to acquire shares in execution of the subscription warrants.

1.4. Description of subsidiaries

The subsidiary Saule S.A. is a global leader in the development of perovskite photovoltaic cell technology. The company has been researching perovskites since 2014 and has developed a method for producing perovskite photovoltaic cells using inkjet printing. Saule is perfecting inkjet-printed, ultra-thin, and flexible perovskite-based solar cells that are eco-friendly, lightweight, and functional under artificial light and low-light conditions. A significant advantage is that the final cell material is produced using inexpensive components. The thickness of the perovskite layer that can be achieved using this method is approximately 300 nm, and such a thin layer absorbs visible light in the wavelength range of 300-800 nm.

In May 2021, Saule launched the world's first pilot production line for perovskite cells in Wrocław, Poland. Currently, Saule focuses on applying perovskite cells in electronic shelf labels (PESL) used by retail chains. The company has developed a groundbreaking solution that combines a perovskite solar module with an e-ink display that has very low power consumption.

The company is engaged in the certification and commercialization of larger-sized photovoltaic modules for Building-Integrated Photovoltaics (BIPV) and Building-Applied Photovoltaics (BAPV) applications, as well as in electromobility. It is also working on future plans for the construction, implementation, and operation of a factory that will produce perovskite photovoltaic panels.

1.5. Management Board's position regarding the feasibility of achieving financial forecasts for the given year in light of the results presented in this quarterly report

The Issuer did not publish financial forecasts for the second quarter of 2024.

1.6. Description of the status of the implementation of the Issuer's actions and investments and their implementation schedule

The Issuer informs that all projects referred to in § 10 point 13a) of Annex No. 1 to the Rules of the Alternative Trading System have been completed.

2. FINANCIAL DATA



2.1. Information on the principles adopted for the preparation of the quarterly report, including information on changes in accounting policies

Description of the adopted accounting policies:

The accounting policies adopted for the preparation of the financial statements comply with the Accounting Act of September 29, 1994 (Journal of Laws of 2013, item 330, as amended), hereinafter referred to as the "Act," which specifies, among other things, accounting principles for entities having their registered office or management within the territory of the Republic of Poland.

The profit and loss account has been prepared using the comparative variant, while the cash flow statement has been prepared using the indirect method.

Intangible assets

Intangible assets are valued at acquisition prices or production costs, less depreciation charges and impairment write-downs. Depreciation rates are set considering the economic useful life of intangible assets, reflecting their actual use. Intangible assets are amortized using the straight-line method.

Fixed assets

This category includes tangible fixed assets and equivalents with an expected economic useful life longer than one year, that are complete, usable, and intended for the entity's needs. Land is valued at acquisition prices, less impairment write-downs. Other fixed assets are valued at acquisition prices or production costs, less depreciation charges and impairment write-downs. The initial value of fixed assets is reduced by depreciation charges. Depreciation rates are set based on the useful life of the fixed assets, reflecting their actual wear and tear. Fixed assets are recorded in the fixed assets register and depreciated from the month following the month in which they were recorded. Land is not depreciated.

Inventories

Inventories are valued at acquisition prices or production costs, not higher than their net sale prices on the balance sheet date. The valuation of the disposal of specific components of current assets is done using the FIFO method (First In, First Out).

Receivables

Receivables are valued at the amount required to be paid on the balance sheet date, observing the prudence principle. The value of receivables is updated considering the probability of their payment by making a write-down. These write-downs are classified as other operating expenses or financial costs, depending on the type of receivables.

Liabilities

On the date of their inception, liabilities are valued at nominal value. On the balance sheet date, liabilities are valued at the amount required to be paid. Liabilities expressed in foreign currencies are valued at the average exchange rate set by the National Bank of Poland for the given currency on the balance sheet date.

Provisions for liabilities

Provisions are liabilities for which the due date or amount is uncertain. They are created for certain or probable future liabilities, charged to other operating expenses or financial costs, depending on the circumstances associated with future liabilities. Provisions are valued at a reasonably and reliably estimated value.

Cash

Cash in banks and cash on hand are valued at nominal value. Cash in foreign currencies is valued at their nominal value converted into Polish zlotys. Business transactions denominated in foreign currencies are recorded in the accounting books.

Prepaid and accrued expenses

Prepaid expenses include expenditures, and the use of assets related to the months following the month in which these expenses were incurred. The company also accrues expenses for probable liabilities falling within the current reporting period, particularly resulting from services provided to the entity by its contractors, where the liability amount can be estimated reliably.

Research and development expenses are also recorded as prepaid expenses (until their completion) if the Company identifies the possibility of their capitalization. If the completed research and development work meets the conditions specified in the Accounting Act, it is transferred to intangible assets. If the development work does not meet the conditions for capitalization, the costs of this work or the part that, in the company's opinion, will not be covered by revenues from the sale of these products or the use of the technology, are written off as other operating expenses.

Deferred income tax assets and liabilities

Deferred income tax is determined in relation to all temporary differences existing on the balance sheet date between the tax value of assets and liabilities and their carrying amount shown in the financial statements. Deferred tax assets are recognized in the amount that is expected to be deductible in the future from income tax due to negative temporary differences that will reduce the tax base in the future, and a deductible loss, with the prudence principle in mind.

Own equity

The share capital is presented at the nominal value of the registered shares resulting from the Company's Articles of Association and the entry in the National Court Register. The supplementary capital is created from the distribution of profit (statutory and voluntary), from additional payments made by shareholders in exchange for special rights to their existing shares (if these payments are not used to cover extraordinary write-downs or losses), transfers from the reserve capital from the revaluation surplus, and the issuance of shares above their nominal value.

The costs of share issuance incurred during the establishment of a joint-stock company or an increase in share capital reduce the supplementary capital up to the amount of the surplus of the issuance value over the nominal value of the shares, and the remaining part is included in financial costs.

Income tax

Deferred income tax is determined in relation to all temporary differences existing on the balance sheet date between the tax value of assets and liabilities and their carrying amount shown in the financial statements.

Deferred income tax assets

Deferred income tax assets are recognized in the amount that is expected to be deductible in the future from income tax due to negative temporary differences that will reduce the tax base in the future and deductible losses, with the prudence principle in mind.

Deferred income tax liabilities

Deferred income tax liabilities are created in the amount of income tax payable in the future due to positive temporary differences that will increase the tax base in the future. The amount of deferred tax assets and liabilities is determined taking into account the income tax rates applicable in the year the tax obligation arises. Deferred tax assets and liabilities are presented separately in the balance sheet.

Impact of income tax on financial results

Income tax affecting the financial result for a given reporting period includes the current part and the deferred part. The deferred part presented in the profit and loss account represents the difference between the status of deferred tax liabilities and assets at the end and the beginning of the reporting period, with the proviso that reserves and assets concerning transactions settled with equity are also allocated to equity.

Revenues and gains

The Company recognizes as revenues and gains the probable occurrence of economic benefits in the reporting period, with a reliably determined value, in the form of an increase in asset value or a decrease in liability value, which will lead to an increase in equity or a reduction in its deficit other than by contributions from shareholders or owners.

Costs and losses

Costs and losses are understood by the entity as probable decreases in economic benefits in the reporting period, with a reliably determined value, in the form of a decrease in asset value or an increase in liabilities and reserves, which will lead to a decrease in equity or an increase in its deficit other than by the withdrawal of funds by shareholders or owners.

Net financial result

The net financial result consists of:

- the result of operating activities, including other operating income and expenses (indirectly related to the operating activities of the entity),
- the result of financial operations,
- obligatory charges to the financial result due to income tax, which the entity is a taxpayer of, and payments equal to it based on separate regulations.

Consolidation

As defined in the Accounting Act, the Company prepares consolidated annual financial statements for the capital group, which includes data from the parent company and all its subsidiaries at all levels, regardless of the country where their headquarters are located, consolidated in such a way that the capital group is treated as a single entity.

The consolidated financial statement consists of:

- a. consolidated balance sheet,
- b. consolidated profit and loss account,
- c. consolidated cash flow statement,
- d. statement of changes in consolidated equity,
- e. additional information, including an introduction to the consolidated financial statements and additional notes and explanations.

A report on its activities is attached to the consolidated financial statements of the capital group. If the entities in the capital group are also significant investors, shares in associated entities are presented in separate items of the consolidated financial statements, in accordance with the rules specified in this chapter.

If the capital group's entities, covered by consolidation, have interests in joint ventures, the data of these entities, being commercial companies, is presented in the consolidated financial statements using the full consolidation method, unless this data is already included in the financial statements of the capital group's entities. The data of the remaining joint ventures is presented using the proportional consolidation method.

A company being a significant investor values and presents its shares in associated entities and jointly controlled commercial entities in the financial statements using the equity method (if the equity method is not used, the effects that its application would have caused and its impact on the financial result are provided in the additional information to the financial statements).

A company being a parent entity may choose not to prepare consolidated financial statements if, on the balance sheet date of the financial year and on the balance sheet date of the preceding financial year, the combined data of the parent company and all its subsidiaries at all levels, without applying consolidation exclusions, including data of jointly controlled entities that are not commercial companies, meet at least two of the following conditions:

- the total average annual employment, converted to full-time equivalents, does not exceed 250 people,
- the total balance sheet sum in Polish currency does not exceed the equivalent of 7,500,000 euros,
- the total net revenues from sales of products, goods, and financial operations in Polish currency do not exceed the equivalent of 15,000,000 euros.

A company being a parent entity, which is itself a subsidiary of another entity based or managed within the European Economic Area, may also choose not to prepare consolidated financial statements if:

- a. the higher-level parent entity holds at least 90% of the shares in this company, and all other shareholders of the company have expressed their consent,
- b. the higher-level parent entity includes in its consolidation both the dependent parent entity and all subsidiaries of the parent entity exempted from preparing consolidated financial statements.

If a company, being a parent entity or its subsidiary, is an issuer of securities admitted to trading or intends to apply for or is applying for the admission of securities to trading on one of the regulated markets of the countries of the European Economic Area, the exemptions mentioned below do not apply:

- 1) consolidation does not include a subsidiary and a jointly controlled entity that is not a commercial company if:
 - a. the shares of this entity were acquired, purchased, or obtained in another form, with the sole purpose of later resale within one year from the date of acquisition, purchase, or obtaining in another form,
 - b. there are restrictions on exercising control or joint control over the entity that prevent the free disposal of its assets, including the net profit generated by this entity, or that prevent control over the management bodies of this entity.
- 2) a subsidiary or jointly controlled entity that is not a commercial company may be excluded from consolidation if:
 - a. the financial data of this entity are not material to achieving a true and fair view,
 - b. obtaining the information necessary for the proper and accurate inclusion of the entity in the consolidation may involve incurring disproportionately high costs, making it impossible to meet the legal requirements related to the preparation, audit,

approval, and publication of consolidated financial statements. This provision applies only to entities whose registered office or place of management is located outside the territory of the European Economic Area.

The data of a subsidiary is consolidated using the full consolidation method, while data of jointly controlled entities that are not commercial companies are consolidated using the proportional consolidation method. Interests in associated entities and interests in jointly controlled entities that are commercial companies are presented in the consolidated financial statements of the capital group using the equity method.

Goodwill

Goodwill is the difference between the purchase price of a specific entity or its organized part and the lower fair value of the acquired net assets. In the opposite situation, i.e., when the purchase price of an entity or its organized part is lower than the fair value of the acquired net assets, this results in negative goodwill.

Only acquired goodwill can be recognized as an asset. Goodwill generated internally by the entity cannot be capitalized.

Investments in subsidiaries

Subsidiaries are entities controlled by the parent entity. Control is deemed to exist when the parent entity has the ability to influence the financial and operating policies of a subsidiary to benefit from its activities.

The financial results of subsidiaries over which control was gained or lost during the year are included in the consolidated financial statements from/to the moment effective control starts/ends. Where appropriate, adjustments are made in the financial statements of subsidiaries to align the accounting policies of that entity with those applied by the other entities in the Group.

All transactions, balances, income, and expenses between related entities included in the consolidation are subject to full elimination in the consolidation process.

Minority interests

Minority interests are presented separately from the Group's equity. Minority interests may initially be measured either at fair value or in proportion to the share in the fair value of the acquired net assets. The choice of one of the aforementioned methods is available for each business combination. In subsequent periods, the value of minority interests includes the initially recognized value adjusted for changes in the entity's equity value in proportion to the shares held. Total income is allocated to minority interests even if it results in a negative value for these interests.

2.2. Quarterly condensed consolidated report for the Capital Group for the second quarter of 2024

This report was prepared in accordance with § 5 of Annex No. 3 to the Rules of the Alternative Trading System "Current and Periodic Information Provided in the Alternative Trading System on the NewConnect Market."

The quarterly financial statement presents financial data for the period from April 1, 2024, to June 30, 2024, as well as cumulative data from January 1, 2024, to June 30, 2024.

The quarterly financial statement was not audited by an entity authorized to audit financial statements.

According to point 4.2. of Annex No. 3 to the Rules of the Alternative Trading System (ASO), all financial data contained in the quarterly report are presented with comparable data for the corresponding quarter of the previous financial year and cumulative financial data for the current and previous financial years.

2.2.1. Consolidated balance sheet, zt

ASSETS	as of 30.06.2024	as of 31.12.2023	as of 30.06.2023
A. FIXED ASSETS	763 448 986,80	785 421 144,76	787 801 755,61
I. Intangible assets	209 503 375,63	215 385 579,50	198 554 903,92
1. Costs of completed development work	29 375 999,30	35 030 778,44	17 930 844,04
2. Goodwill	0,00	0,00	0,00
3. Other intangible assets	180 127 376,33	180 354 801,06	180 624 059,88
4. Advances on intangible assets	0,00	0,00	0,00
II. Goodwill of subordinated entities	543 685 504,01	559 000 588,63	574 315 673,25
1. Goodwill - subsidiaries	543 685 504,01	559 000 588,63	574 315 673,25
2. Goodwill - interdependent entities			
III. Material fixed assets	4 015 131,05	4 746 019,78	7 255 204,49
1. Fixed assets	2 061 526,53	2 919 876,46	5 041 176,20
a) land (including perpetual usufruct of land)	0,00	0,00	0,00
b) buildings, premises, rights to premises and civil and water engineering structures	390 796,48	421 578,10	1 011 583,62
c) technical equipment and machines	748 228,02	1 198 770,48	1 645 425,54
d) means of transport	88 841,59	125 373,55	865 956,56
e) other fixed assets	833 660,44	1 174 154,33	1 518 210,48
2. Fixed assets under construction	165 649,89	39 538,69	40 642,56
3. Advances on fixed assets under construction	1 787 954,63	1 786 604,63	2 173 385,73
IV. Long-term receivables	1 000 565,20	1 009 928,51	1 216 262,81
1. From related entities	0,00	0,00	0,00
2. From other entities in which the entity has a capital involvement	0,00	0,00	0,00
3. From other entities	1 000 565,20	1 009 928,51	1 216 262,81
V. Long-term investments	2 430 131,56	2 345 002,13	1 985 319,49
1. Real estate	0,00	0,00	0,00
2. Intangible assets	0,00	0,00	0,00
3. Long-term financial assets	2 430 131,56	2 345 002,13	1 985 319,49
a) in related entities	2 430 131,56	2 345 002,13	1 484 133,00
– shares or stocks	116 779,70	116 779,70	113 020,00
– other securities	0,00	0,00	0,00
– loans granted	2 313 351,86	2 228 222,43	1 371 113,00
– other long-term financial assets	0,00	0,00	0,00
b) in other entities in which the entity has a capital involvement	0,00	0,00	0,00
– shares or stocks	0,00	0,00	0,00
– other securities	0,00	0,00	0,00
– loans granted	0,00	0,00	0,00
– other long-term financial assets	0,00	0,00	0,00
c) in other entities	0,00	0,00	501 186,49
– shares or stocks	0,00	0,00	0,00
– other securities	0,00	0,00	0,00
– loans granted	0,00	0,00	501 186,49
– other long-term financial assets	0,00	0,00	0,00
4. Other long-term investments	0,00	0,00	0,00
VI. Long-term prepayments	2 814 279,35	2 934 026,21	4 474 391,65
1. Deferred income tax assets	2 796 370,32	2 779 083,32	4 412 112,38
2. Other prepayments	17 909,03	154 942,89	62 279,27

REPORT FOR THE SECOND QUARTER 2024

ASSETS	as of 30.06.2024	as of 31.12.2023	as of 30.06.2023
B. CURRENT ASSETS	23 924 653,02	23 091 882,59	42 117 411,89
I. Inventories	2 375 348,01	2 016 573,81	2 005 844,86
1. Materials	989 168,64	979 822,16	823 375,63
2. Semi-finished products and work in progress	1 093 729,23	765 547,88	774 746,41
3. Finished products	218 743,85	211 379,09	284 751,73
4. Merchandise	0,00	0,00	0,00
5. Advances on supplies and services	73 706,29	59 824,68	122 971,09
II. Short-term receivables	1 299 587,81	1 011 554,95	1 146 313,67
1. Receivables from related entities	0,00	0,00	6 941,47
a) for deliveries and services, with a repayment period of:	0,00	0,00	6 941,47
– up to 12 months	0,00	0,00	6 941,47
– over 12 months	0,00	0,00	0,00
b) other	0,00	0,00	0,00
2. Receivables from other entities in which the entity has a capital involvement	0,00	0,00	0,00
a) for deliveries and services, with a repayment period of:	0,00	0,00	0,00
– up to 12 months	0,00	0,00	0,00
– over 12 months	0,00	0,00	0,00
b) other	0,00	0,00	0,00
3. Receivables from other entities	1 299 587,81	1 011 554,95	1 139 372,20
a) for deliveries and services, with a repayment period of:	185 954,05	93 126,93	8 908,65
– up to 12 months	185 954,05	93 126,93	8 908,65
– over 12 months	0,00	0,00	0,00
b) for taxes, subsidies, customs duties, social and health insurance and other public	1 096 239,53	918 428,02	1 130 463,55
c) other	17 394,23	0,00	0,00
d) pursued in court	0,00	0,00	0,00
III. Short-term investments	3 295 868,37	3 124 088,47	814 657,88
1. Short-term financial assets	3 295 868,37	3 124 088,47	814 657,88
a) in related entities	0,00	0,00	0,00
– shares or stocks	0,00	0,00	0,00
– other securities	0,00	0,00	0,00
– loans granted	0,00	0,00	0,00
– other short-term financial assets	0,00	0,00	0,00
b) in other entities	78 162,02	254 251,12	14 496,00
– shares or stocks	0,00	0,00	0,00
– other securities	0,00	0,00	14 496,00
– loans granted	66 673,60	230 517,46	0,00
– other short-term financial assets	11 488,42	23 733,66	0,00
c) cash and other monetary assets	3 217 706,35	2 869 837,35	800 161,88
– cash in hand and in accounts	3 217 706,35	2 869 837,35	800 161,88
– other cash	0,00	0,00	0,00
– other monetary assets	0,00	0,00	0,00
2. Other short-term investments	0,00	0,00	0,00
IV. Short-term prepayments	16 953 848,83	16 939 665,36	38 150 595,48
C. DUE PAYMENTS TO THE BASE CAPITAL (FUND)	0,00	0,00	0,00
D. OWN SHARES	0,00	0,00	0,00
TOTAL ASSETS	787 373 639,82	808 513 027,35	829 919 167,50

REPORT FOR THE SECOND QUARTER 2024

LIABILITIES	as of 30.06.2024	as of 31.12.2023	as of 30.06.2023
A. EQUITY CAPITAL (FUND)	637 316 354,20	667 888 184,98	691 837 275,17
I. Basic capital (fund)	41 433 331,00	41 433 331,00	41 433 331,00
II. Reserve capital (fund), including:	709 290 633,00	709 290 633,00	709 290 633,00
– surplus of sales value (issue value) over nominal value of shares (stocks)	709 290 633,00	709 290 633,00	709 290 633,00
III. Revaluation capital (fund), including:	0,00	0,00	0,00
– from fair value revaluation	0,00	0,00	0,00
IV. Other reserve capitals (funds), including:	0,00	0,00	0,00
– created in accordance with the company agreement (statute)	0,00	0,00	0,00
– for own shares (stocks)	0,00	0,00	0,00
V. Exchange rate differences from translation	0,00	0,00	0,00
V. Profit (loss) from previous years	-82 835 779,02	-36 954 061,52	-36 954 061,52
VI. Net profit (loss)	-30 571 830,78	-45 881 717,50	-21 932 627,31
VII. Write-offs from net profit during the financial year (negative value)	0,00	0,00	0,00
B. MINORITY CAPITAL	0,00	2 686 010,15	10 212 779,28
C. NEGATIVE VALUE OF SUBORDINATED UNITS	0,00	0,00	0,00
I. Negative value - subsidiaries			
II. Negative value - jointly controlled entities			
B. LIABILITIES AND PROVISIONS FOR LIABILITIES	150 057 285,62	137 938 832,22	127 869 113,05
I. Provisions for liabilities	35 658 676,90	35 658 676,90	35 219 208,12
1. Provision for deferred income tax	34 351 780,37	34 351 780,37	34 448 330,96
2. Provision for pension and similar benefits	1 040 468,00	1 040 468,00	524 683,63
– long-term	0,00	0,00	0,00
– short-term	1 040 468,00	1 040 468,00	524 683,63
3. Other provisions	266 428,53	266 428,53	246 193,53
– long-term	0,00	0,00	0,00
– short-term	266 428,53	266 428,53	246 193,53
II. Long-term liabilities	12 659,26	4 090 349,14	7 108 571,78
1. To related entities	0,00	0,00	0,00
2. To other entities in which the entity has a capital involvement	0,00	0,00	0,00
3. To other entities	12 659,26	4 090 349,14	7 108 571,78
a) credits and loans	0,00	4 024 699,24	6 721 445,44
b) from the issue of debt securities	0,00	0,00	0,00
c) other financial liabilities	12 659,26	65 649,90	387 126,34
d) bills of exchange liabilities	0,00	0,00	0,00
e) other	0,00	0,00	0,00
III. Short-term liabilities	75 209 489,79	55 961 981,74	44 322 969,48
1. Liabilities to related entities	0,00	0,00	8 706 713,19
a) from deliveries and services, due in:	0,00	0,00	0,00
– up to 12 months	0,00	0,00	0,00
– over 12 months	0,00	0,00	0,00
b) other	0,00	0,00	8 706 713,19
2. Liabilities to other entities in which the entity has capital involvement	0,00	0,00	0,00
a) from deliveries and services, due in:	0,00	0,00	0,00
– up to 12 months	0,00	0,00	0,00
– over 12 months	0,00	0,00	0,00
b) other	0,00	0,00	0,00
3. Liabilities to other entities	75 209 489,79	55 961 981,74	35 616 256,29
a) credits and loans	67 714 911,59	46 881 724,12	20 279 057,41
b) from the issue of debt securities	0,00	0,00	0,00
c) other financial liabilities	204 421,93	304 940,91	1 242 624,62
d) from deliveries and services, due in:	1 124 775,27	2 216 630,58	3 709 675,24
– up to 12 months	1 124 775,27	2 216 630,58	3 709 675,24
– over 12 months	0,00	0,00	0,00
e) advances received for deliveries and services	4 765 573,00	4 777 162,60	8 865 309,14
f) bills of exchange liabilities	0,00	0,00	0,00
g) from taxes, customs duties, social and health insurance and other public law title	784 919,90	906 327,58	814 940,94
h) from remuneration	595 212,86	864 143,21	680 903,69
i) other	19 675,24	11 052,74	23 745,25
4. Special funds	0,00	0,00	0,00
IV. Accruals	39 176 459,67	42 227 824,44	41 218 363,67
1. Negative goodwill	0,00	0,00	0,00
2. Other accruals	39 176 459,67	42 227 824,44	41 218 363,67
– long-term	30 884 238,95	34 156 084,74	10 432 902,18
– short-term	8 292 220,72	8 071 739,70	30 785 461,49
TOTAL LIABILITIES	787 373 639,82	808 513 027,35	829 919 167,50

2.2.2. Consolidated profit and loss account, zř

PROFIT AND LOSS ACCOUNT (comparative variant)

	01.04-30.06.2024	01.01-30.06.2024	01.04-30.06.2023	01.01-30.06.2023
A. Net revenues from sales and equivalent, including:	278 167,47	642 185,81	253 981,25	679 054,17
- from related entities	0,00	0,00	207 351,23	416 014,74
I. Net revenues from the sale of products	280 806,96	641 397,21	239 133,41	659 429,81
II. Change in the state of products (increase - positive value, decrease - negative v	-3 602,60	-4 681,85	14 847,84	17 124,36
III. Cost of manufacturing products for the entity's own needs	0,00	0,00	0,00	0,00
IV. Net revenues from the sale of goods and materials	963,11	5 470,45	0,00	2 500,00
B. Operating costs	9 243 511,39	18 153 985,69	8 606 596,04	16 485 526,22
I. Depreciation	3 346 444,36	6 729 586,10	2 425 238,46	4 774 320,83
II. Consumption of materials and energy	799 448,43	1 377 946,57	699 776,54	1 551 897,08
III. External services	1 688 398,16	3 127 443,58	3 210 978,18	5 143 811,78
IV. Taxes and fees, including:	172 632,66	283 134,86	112 556,33	310 982,81
- excise tax	0,00	0,00	0,00	0,00
V. Salaries	2 618 234,73	5 351 179,58	1 687 323,64	3 660 503,28
VI. Social security and other benefits, including:	505 938,95	1 029 256,51	389 290,52	800 956,04
- pensions	219 072,51	468 520,18	185 893,53	366 851,11
VII. Other costs by type	112 337,19	254 705,13	81 432,37	240 859,28
VIII. Value of goods and materials sold	76,91	733,36	0,00	2 195,12
C. Profit (loss) from sales (A-B)	-8 965 343,92	-17 511 799,88	-8 352 614,79	-15 806 472,05
D. Other operating income	2 295 531,16	4 365 393,81	1 294 410,44	3 108 353,01
I. Profit from the disposal of non-financial fixed assets	0,00	0,00	200,00	200,00
II. Subsidies	2 297 798,49	4 218 248,70	1 190 842,75	2 672 875,89
III. Revaluation of non-financial assets	0,00	0,00	0,00	212 159,05
IV. Other operating income	-2 267,33	147 145,11	103 367,69	223 118,07
E. Other operating costs	469 667,26	564 041,59	59 104,65	374 542,60
I. Loss on disposal of non-financial fixed assets	-406,50	3 810,64	0,00	0,00
II. Revaluation of non-financial assets	0,00	0,00	0,00	220 256,22
III. Other operating costs	470 073,76	560 230,95	59 104,65	154 286,38
F. Profit (loss) from operating activities (C+D-E)	-7 139 480,02	-13 710 447,66	-7 117 309,00	-13 072 661,64
G. Financial income	36 369,60	70 287,63	169 138,69	133 277,04
I. Dividends and profit shares, including:	0,00	0,00	0,00	0,00
a) from related entities, including:	0,00	0,00	0,00	0,00
- in which the entity has a capital involvement	0,00	0,00	0,00	0,00
b) from other entities, including:	0,00	0,00	0,00	0,00
- in which the entity has a capital involvement	0,00	0,00	0,00	0,00
II. Interest, including:	36 369,60	70 287,63	23 149,73	46 544,25
- from related entities	22 534,23	47 580,62	10 622,66	25 516,48
III. Profit on disposal of financial assets, including:	0,00	0,00	0,00	0,00
- in related entities	0,00	0,00	0,00	0,00
IV. Revaluation of financial assets	0,00	0,00	0,00	0,00
V. Other	0,00	0,00	145 988,96	86 732,79
H. Financial costs	2 980 299,63	4 319 883,28	914 479,67	1 832 337,29
I. Interest, including:	2 903 664,37	4 217 914,41	914 479,67	1 832 337,29
- for related entities	0,00	0,00	174 557,18	348 449,02
II. Loss on disposal of financial assets, including:	0,00	0,00	0,00	0,00
- in related entities	0,00	0,00	0,00	0,00
III. Revaluation of financial assets	0,00	0,00	0,00	0,00
IV. Other	76 635,26	101 968,87	0,00	0,00
I. Profit (loss) on sale of all or part of shares in subordinated entities				
J. Profit (loss) from business activity (F+G-H+/-I)	-10 083 410,05	-17 960 043,31	-7 862 649,98	
K. Write-off of goodwill	7 657 542,31	15 315 084,62	7 657 542,31	15 315 084,62
I. Write-off of goodwill - subsidiaries	7 657 542,31	15 315 084,62	7 657 542,31	15 315 084,62
II. Write-off of goodwill - interdependent entities	0,00	0,00		0,00
L. Write-off of negative goodwill	0,00	0,00		
I. Write-off of goodwill - subsidiaries	0,00	0,00		
II. Write-off of goodwill - interdependent entities	0,00	0,00		
M. Profit (loss) from shares in subordinated entities valued using the equity method				
N. Gross profit (loss) (J-K+L+M)	-17 740 952,36	-33 275 127,93	-15 520 192,29	-30 086 806,51
O. Income tax	-15 461,00	-17 287,00	-232 821,51	-143 221,72
P. Other mandatory profit reductions (loss increases)	0,00	0,00	0,00	0,00
R. Minority profits (losses)	0,00	-2 686 010,15	-5 796 832,12	-8 010 957,48
R. Net profit (loss) (N-O-P+R)	-17 725 491,36	-30 571 830,78	-9 490 538,66	-21 932 627,31

2.2.3. Consolidated cash flow statement (indirect method), zł

CASH FLOW STATEMENT (indirect method)

	01.04-30.06.2024	01.01-30.06.2024	01.04-30.06.2023	01.01-30.06.2023
A. Cash flows from operating activities				
I. Net profit (loss)	-17 725 491,36	-30 571 830,78	-9 490 538,66	-21 932 627,31
II. Total adjustments	7 906 813,79	17 208 773,74	6 915 010,18	15 448 916,11
1. Minority profit (loss)	0,00	-2 686 010,15	-5 796 832,12	-8 010 957,48
2. Profit (loss) from shares in entities valued using the equity method	0,00	0,00	0,00	0,00
3. Amortization	3 320 554,89	6 729 586,10	2 425 238,46	4 774 320,83
4. Write-offs of goodwill	7 657 542,31	15 315 084,62	7 657 542,31	15 315 084,62
5. Write-offs of negative goodwill	0,00	0,00	0,00	0,00
6. Gains (losses) from exchange differences	15 498,29	-12 358,11	-179 940,62	-150 836,19
7. Interest and profit sharing (dividends)	2 847 431,23	4 105 975,95	1 035 519,25	1 784 809,94
8. Profit (loss) from investing activities	-406,50	3 810,64	147 899,55	147 899,55
9. Change in reserves	0,00	0,00	-163 258,66	-227 587,85
10. Change in inventories	-126 322,69	-358 774,20	625 419,60	578 504,40
11. Change in receivables	-410 461,72	-326 387,89	307 360,45	1 166 022,56
12. Change in short-term liabilities, except loans and credits	-3 292 753,24	-1 449 336,08	2 935 432,94	3 710 482,72
13. Change in accruals	-2 104 416,23	-4 092 678,23	-1 971 972,33	-3 515 736,04
14. Other adjustments	147,45	-20 138,91	-107 398,65	-123 090,95
III. Net cash flows from operating activities (I±II)	-9 818 677,57	-13 363 057,04	-2 575 528,48	-6 483 711,20
B. Cash flows from investing activities				
I. Inflows	47 721,55	142 127,52	200,00	234 387,50
1. Disposal of intangible assets and tangible fixed assets	1 000,00	1 000,00	200,00	200,00
2. Disposal of investments in real estate and intangible assets	0,00	0,00	0,00	0,00
3. From financial assets, including:	46 721,55	141 127,52	0,00	234 187,50
a) in related entities	42 851,00	131 332,55	0,00	234 187,50
b) in other entities	3 870,55	9 794,97	0,00	0,00
– disposal of financial assets	0,00	0,00	0,00	0,00
– dividends and profit shares	0,00	0,00	0,00	0,00
– repayment of long-term loans granted	0,00	0,00	0,00	0,00
– interest	0,00	0,00	0,00	0,00
– other inflows from financial assets	3 870,55	9 794,97	0,00	0,00
4. Other investment inflows	0,00	0,00	0,00	0,00
II. Expenditures	114 309,97	127 560,31	249 544,99	619 665,16
1. Acquisition of intangible assets and tangible fixed assets	114 309,97	127 560,31	107 187,09	359 624,76
2. Investments in real estate and intangible assets	0,00	0,00	0,00	0,00
3. For financial assets, including:	0,00	0,00	142 357,90	260 040,40
a) in related entities	0,00	0,00	142 357,90	260 040,40
b) in other entities	0,00	0,00	0,00	0,00
– acquisition of financial assets	0,00	0,00	0,00	0,00
– long-term loans granted	0,00	0,00	0,00	0,00
4. Dividends and other profit shares paid to minority shareholders	0,00	0,00	0,00	0,00
5. Other investment expenditures	0,00	0,00	0,00	0,00
III. Net cash flows from investing activities (I–II)	-66 588,42	14 567,21	-249 344,99	-385 277,66
C. Cash flows from financing activities				
I. Inflows	13 757 580,02	14 525 936,71	3 126 098,40	3 366 098,40
1. Net inflows from the issue of shares and other capital instruments and capital cor	0,00	0,00	0,00	240 000,00
2. Credits and loans	13 332 884,03	13 332 884,03	3 003 007,45	3 003 007,45
3. Issue of debt securities	0,00	0,00	0,00	0,00
4. Other financial inflows	424 695,99	1 193 052,68	123 090,95	123 090,95
II. Expenditures	729 490,85	819 133,52	1 568 327,72	1 866 959,36
1. Acquisition of own shares	0,00	0,00	0,00	0,00
2. Dividends and other payments to owners	0,00	0,00	0,00	0,00
3. Expenditures other than payments to owners, due to profit distribution	0,00	0,00	0,00	0,00
4. Repayment of credits and loans	355 397,33	355 971,65	41 948,95	103 344,80
5. Redemption of debt securities	0,00	0,00	0,00	0,00
6. Due to other financial liabilities	0,00	0,00	0,00	0,00
7. Payments of liabilities under financial lease agreements	81 884,72	158 946,12	1 260 018,52	1 464 763,16
8. Interest	292 208,80	304 215,75	266 360,25	298 851,40
9. Other financial expenses	0,00	0,00	0,00	0,00
III. Net cash flows from financing activities (I–II)	13 028 089,17	13 706 803,19	1 557 770,68	1 499 139,04
D. Total net cash flows (A. III±B. III±C. III)	3 142 823,18	358 313,36	-1 267 102,79	-5 369 849,82
E. Balance sheet change in cash, including:	3 131 610,87	347 869,00	-1 267 102,79	-5 369 849,82
– change in cash due to exchange rate differences	-11 212,31	-10 444,36		
F. Cash at the beginning of the period	90 200,27	2 870 703,78	2 067 264,67	6 170 011,70
G. Cash at the end of the period (F±D), including:	3 229 017,14	3 229 017,14	800 161,88	800 161,88
– with limited availability	0,00	0,00	0,00	0,00

2.2.4. Statement of changes in consolidated equity, zł

STATEMENT OF CHANGES IN EQUITY

	30.06.2024	31.12.2023	30.06.2023
I. Equity capital (fund) at the beginning of the period (B0)	667 888 184,98	713 769 902,48	713 769 902,48
- changes in adopted accounting principles (policy)			
- corrections of errors			
I.a. Equity capital (fund) at the beginning of the period (B0), after corrections	667 888 184,98	713 769 902,48	713 769 902,48
1. Share capital (fund) at the beginning of the period	41 433 331,00	41 433 331,00	41 433 331,00
1.1. Changes in share capital (fund)	0,00	0,00	0,00
a) increase (due to)	0,00	0,00	0,00
- issue of shares (stock issue)	0,00	0,00	0,00
b) decrease (due to)	0,00	0,00	0,00
- redemption of shares (stocks)			
1.2. Share capital (fund) at the end of the period	41 433 331,00	41 433 331,00	41 433 331,00
2. Reserve capital (fund) at the beginning of the period	709 290 633,00	709 290 633,00	709 290 633,00
2.1. Changes in reserve capital (fund)	0,00	0,00	0,00
a) increase (due to)	0,00	0,00	0,00
- share issue above nominal value	0,00	0,00	0,00
- profit distribution (statutory)			
- profit distribution (above the statutory minimum value)			
b) decrease (due to)	0,00	0,00	0,00
- loss coverage			
2.2. Reserve capital (fund) balance at the end of the period	709 290 633,00	709 290 633,00	709 290 633,00
3. Revaluation capital (fund) at the beginning of the period	0,00	0,00	0,00
- changes in adopted accounting principles (policy)			
3.1. Changes in revaluation capital (fund)	0,00	0,00	0,00
a) increase (due to)	0,00	0,00	0,00
b) decrease (due to)	0,00	0,00	0,00
- disposal of fixed assets			
3.2. Revaluation capital (fund) at the end of the period	0,00	0,00	0,00
4. Other reserve capital (funds) at the beginning of the period	0,00	0,00	0,00
4.1. Changes in other reserve capital (funds)	0,00	0,00	0,00
a) increase (due to)	0,00	0,00	0,00
- unregistered non-cash contribution			
b) decrease (due to)	0,00	0,00	0,00
4.2. Other reserve capital (funds) at the end of the period	0,00	0,00	0,00
5. Profit (loss) from previous years at the beginning of the period	-82 835 779,02	-36 954 061,52	-36 954 061,52
5.1. Profit from previous years at the beginning of the period	0,00	0,00	0,00
- changes in adopted accounting principles (policy)			
- corrections of errors			
5.2 Profit from previous years at the beginning of the period, after corrections	0,00	0,00	0,00
a) increase (due to)	0,00	0,00	0,00
- distribution of profit from previous years			
b) decrease (due to)	0,00	0,00	0,00
5.3. Profit from previous years at the end of the period	0,00	0,00	0,00
5.4. Loss from previous years at the beginning of the period	82 835 779,02	36 954 061,52	36 954 061,52
- changes in adopted accounting principles (policy)			
- corrections of errors			
5.5. Loss from previous years at the beginning of the period, after corrections	82 835 779,02	36 954 061,52	36 954 061,52
a) increase (due to)	0,00	0,00	0,00
- transfer of loss from previous years to be covered			
b) decrease (due to)	0,00	0,00	0,00
5.6. Loss from previous years at the end of the period	82 835 779,02	36 954 061,52	36 954 061,52
5.7 Profit (loss) from previous years at the end of the period	-82 835 779,02	-36 954 061,52	-36 954 061,52
6. Net result	-30 571 830,78	-45 881 717,50	-21 932 627,31
a) net profit			
b) net loss	30 571 830,78	45 881 717,50	21 932 627,31
c) profit deductions			
II. Equity capital (fund) at the end of the period (BZ)	637 316 354,20	667 888 184,98	691 837 275,17
III. Equity capital (fund), after taking into account the proposed profit distribution (loss coverage)	637 316 354,20	667 888 184,98	691 837 275,17

2.3. Quarterly condensed financial statements of the parent company for the second quarter of 2024

2.3.1. Balance sheet, zł

ASSETS	as of 30.06.2024	as of 31.12.2023	as of 30.06.2023
A. FIXED ASSETS	745 963 846,00	745 946 559,00	745 935 088,00
I. Intangible assets	0,00	0,00	0,00
1. Costs of completed development work			
2. Goodwill			
3. Other intangible assets			
4. Advances on intangible assets			
II. Material, fixed assets	0,00	0,00	0,00
1. Fixed assets	0,00	0,00	0,00
a) land (including the right of perpetual usufruct of land)			
b) buildings, premises, rights to premises and civil and water engineering structures			
c) technical equipment and machinery			
d) means of transport			
e) other fixed assets			
2. Fixed assets under construction			
3. Advances on fixed assets under construction			
III. Long-term receivables	0,00	0,00	0,00
1. From related entities			
2. From other entities in which the entity has a capital involvement			
3. From other entities			
IV. Long-term investments	745 932 588,00	745 932 588,00	745 932 588,00
1. Real estate			
2. Intangible assets			
3. Long-term financial assets	745 932 588,00	745 932 588,00	745 932 588,00
a) in related entities	745 932 588,00	745 932 588,00	745 932 588,00
– shares or stocks	745 932 588,00	745 932 588,00	745 932 588,00
– other securities			
– loans granted			
– other long-term financial assets			
b) in other entities in which the entity has capital involvement	0,00	0,00	0,00
– shares or stocks			
– other securities			
– loans granted			
– other long-term financial assets			
c) in other entities	0,00	0,00	0,00
– shares or stocks			
– other securities			
– loans granted			
– other long-term financial assets			
4. Other long-term investments			
V. Long-term prepayments	31 258,00	13 971,00	2 500,00
1. Deferred income tax assets	31 258,00	13 971,00	2 500,00
2. Other prepayments			

REPORT FOR THE SECOND QUARTER 2024

ASSETS	as of 30.06.2024	as of 31.12.2023	as of 30.06.2023
B. CURRENT ASSETS	18 133 831,02	16 387 508,46	2 799 530,87
I. Inventories	0,00	0,00	0,00
1. Materials			
2. Semi-finished products and work in progress			
3. Finished products			
4. Merchandise			
5. Advances on supplies and services			
II. Short-term receivables	171 592,48	172 988,07	2 779 886,01
1. Receivables from related entities	0,00	0,00	2 703 000,00
a) for deliveries and services, with a repayment period of:	0,00	0,00	0,00
– up to 12 months			
– over 12 months			
b) other			2 703 000,00
2. Receivables from other entities in which the entity has a capital involvement	0,00	0,00	0,00
a) for deliveries and services, with a repayment period of:	0,00	0,00	0,00
– up to 12 months			
– over 12 months			
b) other			
3. Receivables from other entities	171 592,48	172 988,07	76 886,01
a) for deliveries and services, with a repayment period of:	0,00	0,00	1 100,00
– up to 12 months	0,00	0,00	1 100,00
– over 12 months			
b) for taxes, subsidies, customs duties, social and health insurance and other put	171 592,48	172 988,07	75 786,01
c) other			
d) pursued in court			
III. Short-term investments	17 951 987,17	16 182 411,10	19 644,86
1. Short-term financial assets	17 951 987,17	16 182 411,10	19 644,86
a) in related entities	17 939 946,14	16 169 954,67	0,00
– shares or stocks			
– other securities			
– loans granted	17 939 946,14	16 169 954,67	
– other short-term financial assets			
b) in other entities	0,00	0,00	14 496,00
– shares or stocks			
– other securities	0,00	0,00	14 496,00
– loans granted			
– other short-term financial assets			
c) cash and other monetary assets	12 041,03	12 456,43	5 148,86
– cash in hand and in accounts	12 041,03	12 456,43	5 148,86
– other cash			
– other monetary assets			
2. Other short-term investments			
IV. Short-term prepayments	10 251,37	32 109,29	
C. DUE PAYMENTS TO THE BASE CAPITAL (FUND)			
D. OWN SHARES			
TOTAL ASSETS	764 097 677,02	762 334 067,46	748 734 618,87

REPORT FOR THE SECOND QUARTER 2024

LIABILITIES	as of 30.06.2024	as of 31.12.2023	as of 30.06.2023
A. EQUITY CAPITAL (FUND)	744 883 289,23	745 088 089,81	745 819 534,76
I. Basic capital (fund)	41 433 331,00	41 433 331,00	41 433 331,00
II. Reserve capital (fund), including:	709 290 633,00	709 290 633,00	709 290 633,00
– surplus of sales value (issue value) over nominal value of shares (stocks)	709 290 633,00	709 290 633,00	709 290 633,00
III. Revaluation capital (fund), including:			
– from fair value revaluation			
IV. Other reserve capitals (funds), including:			
– created in accordance with the company agreement (statute)			
– for own shares (stocks)			
V. Profit (loss) from previous years	-5 635 874,19	-4 792 226,50	-4 792 226,50
VI. Net profit (loss)	-204 800,58	-843 647,69	-112 202,74
VII. Net profit deductions during the financial year (negative value)			
B. LIABILITIES AND PROVISIONS FOR LIABILITIES	19 214 387,79	17 245 977,65	2 915 084,11
I. Provisions for liabilities	0,00	0,00	0,00
1. Deferred income tax provision			
2. Provision for pension and similar benefits	0,00	0,00	0,00
– long-term			
– short-term			
3. Other provisions	0,00	0,00	0,00
– long-term			
– short-term			
II. Long-term liabilities	0,00	0,00	2 703 007,45
1. To related entities			
2. To other entities in which the entity has a capital involvement			
3. To other entities	0,00	0,00	2 703 007,45
a) credits and loans			2 703 007,45
b) from the issue of debt securities			
c) other financial liabilities			
d) bills of exchange liabilities			
e) other			
III. Short-term liabilities	19 214 387,79	17 245 977,65	212 076,66
1. Liabilities to related entities	465 570,79	286 501,81	178 053,06
a) from deliveries and services, due in:	0,00	0,00	0,00
– up to 12 months			
– over 12 months			
b) other	465 570,79	286 501,81	178 053,06
2. Liabilities to other entities in which the entity has capital involvement	0,00	0,00	0,00
a) from deliveries and services, due in:	0,00	0,00	0,00
– up to 12 months			
– over 12 months			
b) other			
3. Liabilities to other entities	18 748 817,00	16 959 475,84	34 023,60
a) credits and loans	18 728 638,80	16 911 458,84	
b) from the issue of debt securities			
c) other financial liabilities		0,00	5 001,12
d) from deliveries and services, due in:	20 178,20	48 017,00	29 022,48
– up to 12 months	20 178,20	48 017,00	29 022,48
– over 12 months			
e) advances received for deliveries and services			
f) bills of exchange liabilities			
g) from taxes, customs duties, social and health insurance and other public law titles			
h) from remuneration			
i) other			
4. Special funds			
IV. Accruals	0,00	0,00	0,00
1. Negative goodwill			
2. Other accruals	0,00	0,00	0,00
– long-term			
– short-term			
TOTAL LIABILITIES	764 097 677,02	762 334 067,46	748 734 618,87

2.3.2. Profit and loss account, zł

PROFIT AND LOSS ACCOUNT (comparative variant)

	01.04-30.06.2024	01.01-30.06.2024	01.04-30.06.2023	01.01-30.06.2023
A. Net revenues from sales and equivalent, including:	0,00	0,00	0,00	0,00
- from related entities				
I. Net revenues from the sale of products				
II. Change in the state of products (increase - positive value, decrease - negative value)				
III. Cost of manufacturing products for the entity's own needs				
IV. Net revenues from the sale of goods and materials				
B. Operating costs	108 386,36	161 389,42	35 226,55	109 199,74
I. Depreciation				
II. Consumption of materials and energy				
III. External services	95 398,40	135 472,50	35 188,55	109 161,74
IV. Taxes and fees, including:	59,00	59,00	38,00	38,00
- excise tax				
V. Salaries				
VI. Social security and other benefits, including:				
- pensions				
VII. Other costs by type	12 928,96	25 857,92		
VIII. Value of goods and materials sold				
C. Profit (loss) from sales (A-B)	-108 386,36	-161 389,42	-35 226,55	-109 199,74
D. Other operating income	30 288,75	30 288,75	0,00	0,20
I. Profit from the disposal of non-financial fixed assets				
II. Subsidies				
III. Revaluation of non-financial assets				
IV. Other operating income	30 288,75	30 288,75		0,20
E. Other operating costs	0,69	0,69	0,00	0,00
I. Loss on disposal of non-financial fixed assets				
II. Revaluation of non-financial assets				
III. Other operating costs	0,69	0,69		
F. Profit (loss) from operating activities (C+D-E)	-78 098,30	-131 101,36	-35 226,55	-109 199,54
G. Financial income	1 246 591,92	1 739 702,72	0,00	0,00
I. Dividends and profit shares, including:	0,00	0,00	0,00	0,00
a) from related entities, including:				
- in which the entity has a capital involvement				
b) from other entities, including:				
- in which the entity has a capital involvement				
II. Interest, including:	1 246 591,92	1 739 702,72		
- from related entities	1 246 591,92	1 739 702,72		
III. Profit on disposal of financial assets, including:				
- in related entities				
IV. Revaluation of financial assets				
V. Other				
H. Financial costs	1 327 965,99	1 830 688,94	1 991,03	3 707,20
I. Interest, including:	1 327 965,99	1 830 688,94	1 991,03	3 707,20
- for related entities	7 277,48	13 508,98	1 991,03	3 707,20
II. Loss on disposal of financial assets, including:				
- in related entities				
III. Revaluation of financial assets				
IV. Other				
I. Gross profit (loss) (F+G-H)	-159 472,37	-222 087,58	-37 217,58	-112 906,74
J. Income tax	-15 461,00	-17 287,00	-378,00	-704,00
K. Other mandatory profit reductions (loss increases)				
L. Net profit (loss) (I-J-K)	-144 011,37	-204 800,58	-36 839,58	-112 202,74

2.3.3. Cash flow statement (indirect method), zł

CASH FLOW STATEMENT (indirect method)

	01.04-30.06.2024	01.01-30.06.2024	01.04-30.06.2023	01.01-30.06.2023
A. Cash flows from operating activities				
I. Net profit (loss)	-144 011,37	-204 800,58	-36 839,58	-112 202,74
II. Total adjustments	45 362,07	45 590,18	27 570,16	80 043,33
1. Depreciation			0,00	0,00
2. Foreign exchange gains (losses)				0,00
3. Interest and profit sharing (dividends)	81 374,07	90 986,22		0,00
4. Profit (loss) from investing activities				0,00
5. Change in reserves			-704,00	-704,00
6. Change in inventories				0,00
7. Change in receivables	-40 406,16	-28 893,16	-3 706,53	-20 637,53
8. Change in short-term liabilities, except loans and credits	4 926,20	-21 073,80	31 654,69	101 384,86
9. Change in accruals	-532,04	4 570,92	326,00	0,00
10. Other adjustments				0,00
III. Net cash flows from operating activities (I±II)	-98 649,30	-159 210,40	-9 269,42	-32 159,41
B. Cash flows from investing activities				
I. Inflows	0,00	0,00	0,00	0,00
1. Disposal of intangible assets and tangible fixed assets				
2. Disposal of investments in real estate and intangible assets				
3. From financial assets, including:	0,00	0,00	0,00	0,00
a) in related entities				
b) in other entities	0,00	0,00	0,00	0,00
– disposal of financial assets				
– dividends and profit shares				
– repayment of long-term loans granted				
– interest				
– other inflows from financial assets				
4. Other investment inflows				
II. Outflows	0,00	0,00	2 703 000,00	2 703 000,00
1. Acquisition of intangible assets and tangible fixed assets				
2. Investments in real estate and intangible assets				
3. On financial assets, including:	0,00	0,00	2 703 000,00	2 703 000,00
a) in related entities			2 703 000,00	2 703 000,00
b) in other entities	0,00	0,00	0,00	0,00
– acquisition of financial assets				
– long-term loans granted				
4. Other investment outflows				
III. Net cash flows from investing activities (I–II)	0,00	0,00	-2 703 000,00	-2 703 000,00
C. Cash flows from financing activities				
I. Inflows	99 530,00	158 795,00	2 703 007,45	2 703 007,45
1. Net proceeds from the issue of shares (stock issue) and other capital instrument	0,00			
2. Credits and loans	99 530,00	158 795,00	2 703 007,45	2 703 007,45
3. Issue of debt securities				
4. Other financial inflows				
II. Expenditures	0,00	0,00	0,00	0,00
1. Acquisition of treasury shares				
2. Dividends and other payments to owners				
3. Profit distribution expenses other than payments to owners				
4. Repayment of credits and loans				
5. Redemption of debt securities				
6. From other financial liabilities				
7. Payments of liabilities under financial lease agreements				
8. Interest				
9. Other financial expenses				
III. Net cash flows from financing activities (I–II)	99 530,00	158 795,00	2 703 007,45	2 703 007,45
D. Total net cash flows (A.III±B.III±C.III)	880,70	-415,40	-9 261,97	-32 151,96
E. Balance sheet change in cash, including:	880,70	-415,40	-9 261,97	-32 151,96
– change in cash due to exchange rate differences				
F. Cash at the beginning of the period	11 160,33	12 456,43	14 410,83	37 300,82
G. Cash at the end of the period (F±D), including:	12 041,03	12 041,03	5 148,86	5 148,86
– restricted				

2.3.4. Statement of changes in equity, zł

STATEMENT OF CHANGES IN EQUITY

	30.06.2024	31.12.2023	30.06.2023
I. Equity capital (fund) at the beginning of the period (B0)	745 088 089,81	745 931 737,50	745 931 737,50
- changes in adopted accounting principles (policy)			
- corrections of errors			
I.a. Equity capital (fund) at the beginning of the period (B0), after corrections	745 088 089,81	745 931 737,50	745 931 737,50
1. Share capital (fund) at the beginning of the period	41 433 331,00	41 433 331,00	41 433 331,00
1.1. Changes in share capital (fund)	0,00	0,00	0,00
a) increase (due to)	0,00	0,00	0,00
- issue of shares (stock issue)			
b) decrease (due to)	0,00	0,00	0,00
- redemption of shares (stocks)			
1.2. Share capital (fund) at the end of the period	41 433 331,00	41 433 331,00	41 433 331,00
2. Reserve capital (fund) at the beginning of the period	709 290 633,00	709 290 633,00	709 290 633,00
2.1. Changes in reserve capital (fund)	0,00	0,00	0,00
a) increase (due to)	0,00	0,00	0,00
- share issue above nominal value			
- profit distribution (statutory)			
- profit distribution (above the statutory minimum value)			
b) decrease (due to)	0,00	0,00	0,00
- loss coverage			
2.2. Reserve capital (fund) balance at the end of the period	709 290 633,00	709 290 633,00	709 290 633,00
3. Revaluation capital (fund) at the beginning of the period	0,00	0,00	0,00
- changes in adopted accounting principles (policy)			
3.1. Changes in revaluation capital (fund)	0,00	0,00	0,00
a) increase (due to)	0,00	0,00	0,00
b) decrease (due to)	0,00	0,00	0,00
- disposal of fixed assets			
3.2. Revaluation capital (fund) at the end of the period	0,00	0,00	0,00
4. Other reserve capital (funds) at the beginning of the period	0,00	0,00	0,00
4.1. Changes in other reserve capital (funds)	0,00	0,00	0,00
a) increase (due to)	0,00	0,00	0,00
b) decrease (due to)	0,00	0,00	0,00
4.2. Other reserve capital (funds) at the end of the period	0,00	0,00	0,00
5. Profit (loss) from previous years at the beginning of the period	-5 635 874,19	-4 792 226,50	-4 792 226,50
5.1. Profit from previous years at the beginning of the period	0,00	0,00	0,00
- changes in adopted accounting principles (policy)			
- corrections of errors			
5.2 Profit from previous years at the beginning of the period, after corrections	0,00	0,00	0,00
a) increase (due to)	0,00	0,00	0,00
- distribution of profit from previous years			
b) decrease (due to)	0,00	0,00	0,00
5.3. Profit from previous years at the end of the period	0,00	0,00	0,00
5.4. Loss from previous years at the beginning of the period	5 635 874,19	4 792 226,50	4 792 226,50
- changes in adopted accounting principles (policy)			
- corrections of errors			
5.5. Loss from previous years at the beginning of the period, after corrections	5 635 874,19	4 792 226,50	4 792 226,50
a) increase (due to)	0,00	0,00	0,00
- transfer of loss from previous years to be covered			
b) decrease (due to)	0,00	0,00	0,00
- coverage of loss from previous years			
5.6. Loss from previous years at the end of the period	5 635 874,19	4 792 226,50	4 792 226,50
5.7 Profit (loss) from previous years at the end of the period	-5 635 874,19	-4 792 226,50	-4 792 226,50
6. Net result	-204 800,58	-843 647,69	-112 202,74
a) net profit			
b) net loss	204 800,58	843 647,69	112 202,74
c) profit deductions			
II. Equity capital (fund) at the end of the period (BZ)	744 883 289,23	745 088 089,81	745 819 534,76
III. Equity capital (fund), after taking into account the proposed profit distribution (loss coverage)	744 883 289,23	745 088 089,81	745 819 534,76

2.4. Management commentary containing a brief description of the key achievements or failures of the Issuer in the second quarter of 2024, along with a description of the most important factors and events, particularly of an unusual nature, affecting the achieved results

The Group's financial statement for the second quarter of 2024 shows a net loss of PLN 17,725,491.36, and for the period from January 1 to June 30, 2024, a net loss of PLN 30,571,830.78.

The net loss of the Group is significantly reduced by the amortization of goodwill that arose when Saule Technologies S.A. took control of the subsidiary Saule S.A. (item K.I. in the consolidated profit and loss statement "Write-off of Goodwill - Subsidiaries"). Goodwill is the difference between the purchase price of Saule S.A. and the lower fair value of the acquired net assets, and the amortization of goodwill involves its allocation over time. This is therefore a non-cash item and amounted to -PLN 7,657,542.31 for the period from April 1 to June 30, 2024, and -PLN 15,315,084.62 for the period from January 1 to June 30, 2024.

The consolidated balance sheet prepared as of June 30, 2024, shows a total of PLN 787,373,639.82 on both the assets and liabilities sides. As of June 30, 2024, equity amounted to PLN 637,316,354.20.

As of June 30, 2024, cash and other cash equivalents of the Saule Technologies capital group amounted to PLN 3,217,706.35.

Liquidity Ratios as of June 30, 2024:

Indicator	Formula	Indicator for Group	Indicator value considered safe
Coverage level I	Equity/Fixed assets	0,83	> 0,6
Coverage level II	(Equity + Long-term liabilities)/Fixed assets	0,83	> 1,0
Current liquidity	Current assets/Short-term liabilities	0,32	1,3 - 2,0

The second-degree coverage ratios and current liquidity ratios are below the levels considered safe or optimal in the literature. To fully understand these ratios, it is necessary to take into account the specifics of the Group's business activities and its stage of development. The Group is currently heavily investing in research and development projects that are crucial to achieving our long-term strategic goals. These investments are not only time-consuming but also capital-intensive, which directly affects our liquidity ratios. It is important to emphasize that these activities are essential for the development of innovative products that will bring significant added value and a competitive advantage in the market in the future.

The Group is in a phase where resources are concentrated on developing technology and products, which naturally delays the achievement of direct revenues from their commercialization. This phase is characteristic of technology companies, where the initial development period requires significant financial outlays before reaching the stage of generating stable cash flows from operating activities.

The research and development activities we have undertaken, although currently weighing on our liquidity ratios, are a strategic investment in the future of the entire Group. This is consistent with our mission and vision for long-term development, with a focus on maximizing value for our shareholders.

3. INFORMATION REGARDING THE ISSUER'S ACTIVITIES IN THE SECOND QUARTER OF 2024



3.1. Company assets - Intellectual Property

The most important assets of the Saule Technologies Group are the technologies they own (protected by patents and trade secrets) and the team of highly skilled professionals who develop and implement them. Within the Group, operational activities are conducted by the subsidiary, Saule S.A. During the period under review, Saule S.A. continued its strategy of research and development of perovskite photovoltaic cells. The ongoing research and development efforts have resulted in a further expansion of the intellectual property portfolio.

In the second quarter of 2024, the total portfolio of patent applications of Saule S.A. expanded with an application submitted to the European Patent Office regarding an invention related to a new, more efficient, and environmentally friendly method of recovering valuable elements from perovskite structures, including potentially toxic ones, and recycling them.

Actions related to existing patent applications undergoing procedures in selected patent offices resulted in the European Patent Office granting one patent for an invention concerning a photovoltaic louvre coated with a layer containing perovskite modules responsible for electricity production.

Simultaneously, other patent proceedings are ongoing before individual patent offices concerning other filed inventions.

The typical strategy for the company's patent applications includes filing for patent protection in major markets such as European countries, the USA, China, Japan, and South Korea. The strategy for patent applications is modified as needed for specific inventions, where additional countries outside of those listed above may be of interest for obtaining patent protection.

The total number of granted and pending patents, as well as patent applications in countries where applications have been filed, is 52.

Additionally, the Japan Intellectual Property Office has granted protection for the SAULE trademark. The SAULE trademark remains under proceedings with other intellectual property offices in Europe and beyond.

Saule S.A. continues to protect its know-how through trade secrets and strict procedures related to their documentation, storage, and access management. Restricted and controlled access, along with regular training for employees, helps minimize the risk of unauthorized disclosure of confidential information. Currently, Saule S.A. has 206 trade secrets that describe solutions whose public disclosure would be detrimental to the company's operations. In the second quarter of 2024, 5 new trade secrets directly related to the technology developed by Saule S.A. were documented. The documentation of additional trade secrets is in progress.

Furthermore, Saule S.A. has in its portfolio three trademarks related to the perovskite electronic price labels PESL™ (protected by EUIPO - European Union Intellectual Property Office), the name SAULE (protection granted in Poland, Benelux countries, the United Kingdom, Spain, France, Finland, Japan, Germany, Norway, Sweden, and Italy, and applied for and under procedures in several other countries and regions, such as China, Korea, the USA, and selected European countries), and the Saule Technologies logo (protected by EUIPO - European Union Intellectual Property Office).

The Management Board places great emphasis on managing the company's intellectual property. A dedicated team of qualified employees is responsible for managing the company's intellectual property. The intellectual property development and protection policy was developed with the support of external advisors, including pioneers of industrial ink-jet technology in Europe, and is strictly adhered to and implemented. The intellectual property protection policy defines internal processes related to the protection of inventions, for example, through patent applications or the creation and safeguarding of documents constituting trade secrets. Various types of intellectual property protection are used for different types of inventions, as precisely described in the aforementioned intellectual property protection policy.

3.2. Significant events concerning the Capital Group in the second Quarter of 2024

3.2.1 Agreements concerning a strategic investor

As a result of the strategic options review, which the Company announced in ESPI communication No. 23/2023 on December 22, 2023, on March 19 and 20, 2024, the Company, among others, signed an agreement, which included the following parties: DC24 Alternative Investment Company LLC (DC24 ASI), Artur Kupczunas, Olga Malinkiewicz, Knowledge is Knowledge LLC Limited Partnership, Dariusz Chrzastowski, H.I.S. CO., LTD., based in Tokyo [Japan], Columbus Energy SA, the Company, Saule SA, and Piotr Krych. As of March 20, 2024 (the day the Company published current report No. 3/2024), the agreement was signed by the Company, Saule S.A., Columbus Energy, and DC24 ASI.

The agreement's mechanism stipulated that it would come into effect for each signatory once they signed it. However, it would only become effective concerning DC24 ASI after all parties had signed the agreement.

In the agreement, the parties expressed their intention to prepare for the process of securing a strategic investor for the technology developed by Saule SA. This may involve the Company selling up to 100% of the shares in Saule SA (or executing a transaction of a similar nature aimed at commercializing and scaling up the production technology of perovskite cells) to an external investor. The parties agreed that DC24 ASI would be the leading entity in executing this transaction, including determining the structure of the potential transaction (subject to the agreement coming into effect for DC24 ASI). The parties also agreed that the cash obtained from the potential transaction would be distributed such that the obligations to DC24 ASI would be satisfied first, and DC24 ASI would have the right to determine the detailed method of distribution of these funds. The detailed structure of this transaction will be determined at a later stage, based on recommendations and within the framework of the transaction process led by an external professional advisor. Simultaneously, to ensure the effective finalization of a potential transaction (i.e., in the event of non-cooperation with DC24 ASI by the remaining parties to the agreement), the parties granted DC24 ASI an irrevocable power of attorney valid until June 30, 2026.

The parties stipulated that the transaction would be conducted to maximize the value of Saule SA or its assets. Provided the agreement comes into effect for DC24 ASI (upon signing by all parties), DC24 ASI expressed its intention to provide funding within the Company's Capital Group for the duration of the transaction process.

On July 3, 2024, the Company announced in a current report that the last party had signed, thereby effectively concluding the agreement between the Company, DC24 ASI LLC, Olga Malinkiewicz, Dariusz Chrzastowski, H.I.S. Co., Ltd., Columbus Energy S.A., and Saule S.A., supplementing the agreement of March 20, 2024. The purpose of this agreement was

to confirm the terms of cooperation regarding the original agreement, including the effectiveness of the March 20, 2024, agreement for DC24 ASI LLC, despite not being signed by Piotr Krych, Artur Kupczunas, and Knowledge is Knowledge LLC Limited Partnership. Thus, the parties confirmed that all provisions, particularly the obligations of each of these parties, are binding on the Company, DC24 ASI LLC, Olga Malinkiewicz, Dariusz Chrzastowski, H.I.S. Co., Ltd., Columbus Energy S.A., and Saule S.A.

Based on this, intensified efforts can be made to attract an investor.

Furthermore, on April 23, 2024, in execution of the March 20, 2024, agreement, a loan agreement was signed between Saule S.A. (a subsidiary of the Issuer) and DC24 ASI LLC, based in Warsaw. Under the signed agreement, the Investor granted Saule SA a loan of up to EUR 4,586,326.93, which will be used for Saule SA's operational activities.

3.2.3 Extraordinary General Meeting

On April 19, 2024, an Extraordinary General Meeting was held, which decided to amend the Company's Articles of Association. The new wording of the Company's Articles of Association is included in Resolution No. 3/04/2024 of the Extraordinary General Meeting of the Company dated April 19, 2024, concerning the amendment of the Articles of Association. The Company published the content of the resolutions adopted by the Extraordinary General Meeting in current report EBI 8/2024. The Registry Court accepted the Articles of Association in the version adopted by the Extraordinary General Meeting on April 19, 2024.

3.2.4 Ordinary General Meeting

On June 28, 2024, the Ordinary General Meeting of the Company was held with the following agenda:

1. Opening of the Ordinary General Meeting.
2. Election of the Chairman of the Ordinary General Meeting.
3. Confirmation of the proper convening of the Ordinary General Meeting and its ability to adopt resolutions.
4. Election of the Scrutiny Committee / Waiver of the Election of the Scrutiny Committee.
5. Adoption of the agenda.
6. Consideration and approval of the Management Board's Report on the activities of SAULE TECHNOLOGIES S.A. for the financial year 2023.
7. Consideration and approval of the Financial Statement of SAULE TECHNOLOGIES S.A. for the financial year 2023.
8. Consideration and approval of the Consolidated Financial Statement of the SAULE TECHNOLOGIES Capital Group for the financial year 2023.
9. Consideration and approval of the Supervisory Board's Report for the financial year 2023.
10. Adoption of a resolution on covering the loss for the financial year 2023.
11. Adoption of resolutions on granting discharge to the Members of the Management Board for the performance of their duties in 2023.
12. Adoption of resolutions on granting discharge to the Members of the Supervisory Board for the performance of their duties in 2023.
13. Closing of the Meeting.

The Ordinary General Meeting approved the financial statement of SAULE TECHNOLOGIES S.A. for the financial year 2023 and the consolidated financial statement of the SAULE TECHNOLOGIES Capital Group for the financial year 2023. Discharge was granted to all members of the Supervisory Board who served in 2023. The Ordinary General Meeting also granted discharge to Olga Malinkiewicz for serving as a Member of the Management Board in 2023. However, Member of the Management Board Artur Kupczunas did not receive discharge.

3.3. Research and Development Projects

The Saule Group, along with its Scientists and Employees, actively participates in numerous prestigious international research and development projects. Many projects under the "Horizon Europe" Program are ongoing, with continuation planned for 2024. The Horizon Europe Framework Program is the largest research and innovation program in the history of the European Union. This report provides a description of the ongoing projects, their assumptions, scientific objectives, and funding parameters.

Below are detailed descriptions of research and development projects obtained in the second quarter of 2024, in which companies from the Saule Capital Group participate, funded by the "Horizon Europe" Program.

JUMP INTO SPACE

The project is titled: Flexible, Lightweight, Multijunction Solar Cells and Modules with Enhanced Efficiency.

The rapid increase in the number of launched satellites and orbital activities requires technological breakthroughs in cost-effective solar energy technologies for use in space. The JUMP INTO SPACE project aims to develop a highly efficient, lightweight, flexible, and stable alternative to currently available photovoltaic energy systems in space. Tandem solar cells made entirely of perovskite, based on advanced contact materials and precisely tuned perovskite absorbers, will be developed to provide high efficiency. The devices will feature a pioneering, lightweight, and flexible multifunctional photonic substrate designed and optimized to serve dual functions: environmental protection and light management, while also being exceptionally resistant to high-energy radiation and atomic oxygen erosion. The optimized tandem solar cells made entirely of perovskite will be produced on versatile photonic substrates and rigorously tested to ensure unprecedented specific power and demonstrate their stability in low-orbit space operations. Saule S.A. is participating in this project. The funding amount is EUR 495,000.00.

MASAUTO

Project title: Materials for Smarter Autonomous Sensors.

The MASAUTO network research program focuses on two key challenges at the core of unlocking the potential of the Internet of Things: enabling continuous, reliable, autonomous energy delivery and cost-effective high-capacity memory with very low power consumption. The first challenge will be addressed by developing sustainable and durable energy harvesting and storage devices. The second challenge will be tackled by developing materials and devices that provide integrated functionality, including novel electronics and smart low-power memory. The overall goal is to push the current technological limitations regarding material properties and heterostructures in response to this particular challenge and to accelerate the application of these techniques in key industrial sectors, namely

materials and electronics. Saule S.A. is participating in this project. The funding amount is EUR 226,512.00.

Paged LABTECH Sp. z o.o. - Collaboration Project

On March 5, 2023, a project was initiated based on an agreement signed between Saule S.A., a subsidiary, and Paged LABTECH Sp. z o.o., based in Pisz.

The subject of the Agreement is the execution by the Contractor, for Paged, of a "proof of concept" that includes:

- preparation and delivery by the Contractor of a preliminary schematic of the final product: plywood integrated with perovskite modules;
- provision by Saule of an energy yield calculation for a selected building with the implemented product;
- conducting preliminary adhesion tests of the module to the surface of the board;
- creation of five product prototypes.

The Company indicates the actual completion date of the project to be the fourth quarter of 2024.

During the project's implementation, further innovative large-scale applications of perovskite modules in construction-related solutions are being developed. The agreement is currently in progress; the client has conducted initial tests based on which Saule S.A. is implementing changes resulting from the tests.

4. FACTORS AFFECTING THE GROUP'S ACTIVITIES IN THE PERSPECTIVE OF FUTURE PERIODS



The Issuer's Management Board sees a great sales potential for perovskite cells. Due to several key advantages, the technology of perovskite photovoltaic modules allows for the use of photovoltaic solutions in areas currently excluded for traditional silicon-based solutions, ranging from small urban architecture to building facades and roofs. Saule aims to be part of the rapid growth of the Building-Integrated Photovoltaics (BIPV) segment by partnering with recognized partners.

The Issuer continues to explore the use of perovskite cells in various fields, including the space industry. During a recent attempt, 3 out of 5 satellites in the Transporter mission were lost, including the satellite with a perovskite cell. The Company plans to take further steps in this area to prove that perovskite cells are an ideal power source in space.

After analyzing the technological readiness and future expectations for the Company's results, the Management Board of Saule Technologies S.A. decided to conduct a review of strategic options for the Company's further operations in the first quarter of 2024. So far, this process has resulted in the signing of an agreement by the Company, which involves the following parties: DC24 Alternative Investment Company LLC (DC24 ASI), Artur Kupczunas, Olga Malinkiewicz, Knowledge is Knowledge LLC Limited Partnership, Dariusz Chrzastowski, H.I.S. CO., LTD., based in Tokyo [Japan], Columbus Energy SA, the Company, Saule SA, and Piotr Krych.

In the agreement, the parties expressed their intention to prepare for the process of securing a strategic investor for the technology developed by Saule SA, which may involve the Company selling up to 100% of the shares in Saule SA (or executing a transaction of a similar nature aimed at commercializing and scaling the production technology of perovskite cells) to an external investor. The parties agreed that DC24 ASI would be the leading entity in executing this transaction, including determining the structure of the potential transaction (subject to the agreement's coming into effect for DC24 ASI). The Company informed about the aforementioned agreement in current report 3/2024.

Following the conclusion of an agreement on July 3, 2024, by the Company and DC24 ASI LLC, Olga Malinkiewicz, Dariusz Chrzastowski, H.I.S. Co., Ltd., Columbus Energy S.A., and Saule S.A., which supplemented the agreement of March 20, 2024, the Parties confirmed that all provisions, particularly the obligations of each of these parties, are binding on the Company, DC24 ASI LLC, Olga Malinkiewicz, Dariusz Chrzastowski, H.I.S. Co., Ltd., Columbus Energy S.A., and Saule S.A. - the process of selecting an Investor will be formally initiated. This is our main goal and task, which will enable the Company to build a factory and start production. The capital group is determined to achieve this goal.

On April 23, 2024, in execution of the agreement announced by the Company in ESPI report 3/2024, a loan agreement was signed between Saule S.A. and DC24 ASI LLC. Under the signed agreement, DC24 granted Saule SA a loan of up to EUR 4,586,326.93.

5. INFORMATION REGARDING THE NUMBER OF EMPLOYEES EMPLOYED BY THE ISSUER IN FULL-TIME EQUIVALENTS



The scientists employed by the Capital Group work at the research and development center with a pilot production line and one of the best-equipped optoelectronic laboratories in Europe. The Company's success depends on the efforts and experience of its management and the support of key scientific personnel.

As of June 30, 2024, the Saule Technologies Capital Group consists of a team of approximately 100 collaborating scientists, engineers, and administrative staff.

As of June 30, 2024, the Saule Technologies Capital Group employed 60 employees in full-time equivalents.

Management Board of Saule Technologies

Olga Malinkiewicz
Member of the Management Board