

# FINANCIAL SUPERVISION COMMISSION

## Report Q 3 / 2023

(pursuant to § 60 section 1 item 1 of the Regulation on current and periodic information) for issuers of securities engaged in manufacturing, construction, trade or service activities

for Q3 of the financial year 2023 covering the period from 2023-01-01 to 2023-09-30 containing condensed IFRS/IAS financial statements in PLN currency  
transmission date: 2023-11-10

<b>NOVITA S.A.</b> (full name of the issuer)	
<b>NOVITA</b> (abbreviated name of issuer)	<b>light industry</b> (sector according to Warsaw Stock Exchange classification / industry)
<b>65-722</b> (postcode)	<b>Zielona Góra</b> (town/city)
<b>Dekoracyjna</b> (street)	<b>3</b> (number)
<b>068 456 12 01</b> (phone)	<b>068 456 13 51</b> (fax)
<b>novita@novita.com.pl</b> (e-mail)	<b>www.novita.com.pl</b> (www)
<b>929-009-40-94</b> (NIP)	<b>970307115</b> (REGON)

SELECTED FINANCIAL DATA	in PLN thousand		in EUR thousand	
	period from 01.01.2023 to 30.09.2023	period from 01.01.2022 to 30.09.2022	period from 01.01.2023 to 30.09.2023	period from 01.01.2022 to 30.09.2022
Net revenue from the sale of products, goods and materials	139 085	185 790	30 386	39 631
EBITDA (operating result + amortisation and/or depreciation)	22 577	23 878	4 932	5 093
Profit/loss on sale	31 735	37 153	6 933	7 925
Operating profit (EBIT)	19 089	20 322	4 170	4 335
Gross profit	20 016	17 560	4 373	3 746
Net profit from continuing operations	16 198	14 257	3 539	3 041
Net cash flows from operating activity	30 339	1 332	6 628	284
Net cash flows from investment activity	(1 737)	(1 136)	(379)	(242)
Net cash flows from financial activity	(26 393)	(1 834)	(5 766)	(391)
Total net cash flows	2 209	(1 638)	483	(349)
Number of ordinary shares of the Company for the purpose of calculating earnings per share	2 500 000	2 500 000	2 500 000	2 500 000
Earnings per share	6,48	5,70	1,42	1,22
Number of diluted shares for the purpose of calculating diluted earnings per share ratio in units.	2 500 000	2 500 000	2 500 000	2 500 000
Diluted earnings per share	6,48	5,70	1,42	1,22
	<b>30.09.2023</b>	<b>31.12.2022</b>	<b>30.09.2023</b>	<b>31.12.2022</b>
Total assets	166 790	186 748	35 980	39 819
Liabilities	33 336	39 492	7 191	8 421
Long-term liabilities	15 135	15 043	3 265	3 208
Short-term liabilities	18 201	24 449	3 926	5 213
Own equity	133 454	147 256	28 789	31 399
Share capital	5 000	5 000	1 079	1 066
Number of shares	2 500 000	2 500 000	2 500 000	2 500 000
Book value per share	53,38	58,90	11,52	12,56

In order to convert the balance sheet items in the "Selected financial data" table as of September 30, 2023, the average NBP exchange rate for the euro on that day was used, i.e. 1 EUR = 4.6356 PLN. The items from the statement of comprehensive income and the statement of cash flows shown in the "Selected financial data" table for the third quarter of 2023 were converted using the exchange rate 1 EUR = 4.5773 PLN (this is the average of the average NBP exchange rates from the last days of 9 months of 2023).

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Selected financial data from the balance sheet (statement of financial position) are presented at the end of the current quarter and the end of the previous year which should be properly described.

The report should be submitted to the Polish Financial Supervision Authority, a company operating a regulated market and made public through a news agency in accordance with the law.

#### **CONTENT OF THE REPORT**

File	Description
NOVITA SA_Raport_3Q.pdf	NOVITA SA Raport 3Q 2023

#### **SIGNATURES OF THE PERSONS REPRESENTING THE COMPANY**

Date	Name	Position/Function	Signature
2023-11-10	Radosław Muzioł	General Director / President of the Management Board	
2023-11-10	Jakub Rękosiewicz	Finance Director / Member of the Management Board	



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# „NOVITA” S.A.

Condensed quarterly report  
for the third quarter of 2023



ZIELONA GÓRA, 10 November 2023

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**SELECTED FINANCIAL DATA**

SELECTED FINANCIAL DATA	in PLN thousand		in EUR thousand	
	perifrom	perifrom	perifrom	perifrom
	from 01.01.2023 to 30.09.2023	from 01.01.2022 to 30.09.2022	from 01.01.2023 to 30.09.2023	from 01.01.2022 to 30.09.2022
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**STATEMENT OF FINANCIAL SITUATION**

for III quarter ended on 30 September 2023 (in thousand PLN)

<b>ASSETS</b>	<b>30.09.2023</b>	<b>31.12.2022</b>	<b>30.09.2022</b>
<b>Fixed assets</b>	<b>113 135</b>	<b>115 201</b>	<b>115 665</b>
Tangible fixed assets	112 735	114 847	115 300
Intangible assets	399	353	364
Other financial assets	1	1	1
<b>Current assets</b>	<b>53 655</b>	<b>71 547</b>	<b>84 655</b>
Stocks	19 905	31 283	40 285
Receivables from deliveries, works and services	19 542	25 875	36 109
Other short-term receivables and accruals	2 335	4 733	2 405
Cash and cash equivalents	11 873	9 656	5 856
<b>Fixed assets classified as intended for sale</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL ASSETS</b>	<b>166 790</b>	<b>186 748</b>	<b>200 320</b>
<b>LIABILITIES</b>	<b>30.09.2023</b>	<b>31.12.2022</b>	<b>30.09.2022</b>
<b>Equity capital</b>	<b>133 454</b>	<b>147 256</b>	<b>140 133</b>
Basic capital	5 000	5 000	5 000
Reserve capital and spare capital	75 445	84 076	84 076
Revaluation reserve	(72)	(72)	(83)
Profits/Losses from previous years	36 883	36 883	36 883
Profit from current year	16 198	21 369	14 257
<b>EQUITIES</b>	<b>33 336</b>	<b>39 492</b>	<b>60 187</b>
<b>Long-term liabilities</b>	<b>15 135</b>	<b>15 043</b>	<b>14 141</b>
Reserves	191	191	226
Deferred income tax reserves	10 028	9 915	8 972
Other long-term financial liabilities	4 916	4 937	4 943
<b>Short-term liabilities</b>	<b>18 201</b>	<b>24 449</b>	<b>46 046</b>
Reserves	302	493	186
Short-term bank credits and loans	0	0	8 847
Other financial liabilities	21	27	20
Liabilities from deliveries, works and services	11 681	18 093	29 271
Liabilities under contracts with customers	657	315	673
Other short-term liabilities and accruals	5 316	5 521	6 923
Liabilities from income tax	224	0	126
<b>TOTAL LIABILITIES</b>	<b>166 790</b>	<b>186 748</b>	<b>200 320</b>

**STATEMENT OF COMPREHENSIVE INCOME**

for III quarter ended on 30 September 2023 (in thousand PLN)

<b>MULTIPLE-STEP VARIANT</b>	<b>01.01.2023 30.09.2023</b>	<b>01.07.2023 30.09.2023</b>	<b>01.01.2022 30.09.2022</b>	<b>01.07.2022 30.09.2022</b>
<i>Continuing operations</i>				
Revenues from sale of products, goods and materials	139 085	43 510	185 790	67 568
Costs of sold products, goods and materials	107 350	33 407	148 637	56 314
<b>Gross profit from sales</b>	<b>31 735</b>	<b>10 103</b>	<b>37 153</b>	<b>11 254</b>
Sale costs	4 956	1 524	6 838	2 599
General management costs, including:	11 573	3 705	10 822	3 411
Other revenues	3 894	28	835	187
Other costs	11	(11)	6	0
<b>Profit from operating activity</b>	<b>19 089</b>	<b>4 913</b>	<b>20 322</b>	<b>5 431</b>
Financial revenues	1 132	314	9	7
Financial costs	205	72	2 771	1 585
<b>Gross profit</b>	<b>20 016</b>	<b>5 155</b>	<b>17 560</b>	<b>3 853</b>
Income tax	3 818	988	3 303	738
<b>Net profit from continuing activities</b>	<b>16 198</b>	<b>4 167</b>	<b>14 257</b>	<b>3 115</b>
<b>Other total income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total income together</b>	<b>16 198</b>	<b>4 167</b>	<b>14 257</b>	<b>3 115</b>
<b>Profit per share:</b>				
<b>From continuing activities</b>				
<i>Basic</i>	6,48	1,67	5,70	1,25
<i>Diluted</i>	6,48	1,67	5,70	1,25

## CASH FLOW STATEMENT

for III quarter ended on 30 September 2023 (in thousand PLN)

INDIRECT METHOD	01.01.2023 30.09.2023	01.01.2022 30.09.2022
<b>Cash flows from operating activities</b>		
Profit before tax	20 016	17 560
<b>Total adjustments:</b>	<b>10 323</b>	<b>(16 228)</b>
Depreciation	3 488	3 556
Profits/Losses from foreign exchange differences	(8)	275
Costs and revenues from interests	238	390
Profit/Loss from investment activity	(20)	3
Change in reserves status	(191)	137
Change in stocks status	11 378	1 873
Change in status of receivables from deliveries, works and services	6 333	(11 311)
Change in status of receivables and active accruals	1 920	757
Change in status of liabilities from deliveries, works and services	(6 412)	(1 401)
Change in status of receivables and passive accruals	235	2 686
Paid/returned income tax	(2 766)	(13 193)
Other adjustments	(3 872)	0
<b>Net cash flows from operating activities</b>	<b>30 339</b>	<b>1 332</b>
<b>Cash flows from investment activities</b>		
Revenues from sale of tangible fixed assets and intangible assets	24	0
Acquisition of tangible fixed assets and intangible assets	(1 761)	(1 136)
<b>Net cash flows from investment activities</b>	<b>(1 737)</b>	<b>(1 136)</b>
<b>Cash flows from financial activities</b>		
Revenues from incurred credits and loans	0	0
Repayment of credits and loans	0	(1 418)
Repayment of liabilities from financial leasing	(27)	(26)
Paid interests and bank fees	(238)	(390)
Dividends paid to shareholders of the Company	(30 000)	0
Grant	3 872	0
<b>Total net cash flows</b>	<b>(26 393)</b>	<b>(1 834)</b>
<b>Total net cash flows</b>	<b>2 209</b>	<b>(1 638)</b>
<b>Cash, cash equivalents and bank overdrafts at the beginning of the period</b>	<b>9 656</b>	<b>7 769</b>
<i>Profits/Losses from foreign exchange differences on valuation of cash, cash equivalents and bank overdrafts</i>	<i>8</i>	<i>(275)</i>
<b>Cash, cash equivalents and bank overdrafts at the end of the period</b>	<b>11 873</b>	<b>5 856</b>

**STATEMENT OF CHANGES IN EQUITY CAPITAL**

for III quarter ended on 30 September 2023 (in thousand PLN)

for period	Equity capital				Total equity capital
	Basic capital	Reserve capital and spare capital	Revaluation reserve	Profits from previous years and current year	
01.01.2023 - 30.09.2023					
<b>Balance as of 01.01.2023</b>	5 000	84 076	(72)	58 252	147 256
<b>Total income together</b>	0	0	0	16 198	16 198
Actuarial profits and losses	0	0	0	0	0
Income tax on actuarial profits/losses	0	0	0	0	0
Profit from financial year	0	0	0	16 198	16 198
<b>Other changes in equity capital</b>	0	(8 631)	0	(21 369)	(30 000)
Division of reserve capital and spare capital to pay dividends	0	(30 000)	0	0	(30 000)
Division of profit for 2022	0	21 369	0	(21 369)	0
<b>Balance as of 30.09.2023</b>	5 000	75 445	(72)	53 081	133 454

for period	Equity capital				Total equity capital
	Basic capital	Reserve capital and spare capital	Revaluation reserve	Profits from previous years and current year	
01.01.2022 - 31.12.2022					
<b>Balance as of 01.01.2022</b>	5 000	34 317	(83)	86 642	125 876
<b>Total income together</b>	0	0	11	21 369	21 380
Actuarial profits and losses	0	0	13	0	13
Income tax on actuarial profits/losses	0	0	(2)	0	(2)
Profit from financial year	0	0	0	21 369	21 369
<b>Other changes in equity capital</b>	0	49 759	0	(49 759)	0
Division of reserve capital and spare capital to pay	0	0	0	0	0
Division of profit for 2021	0	49 759	0	(49 759)	0
<b>Balance as of 31.12.2022</b>	5 000	84 076	(72)	58 252	147 256

for period	Equity capital				Total equity capital
	Basic capital	Reserve capital and spare capital	Revaluation reserve	Profits from previous years and current year	
01.01.2022 - 30.09.2022					
<b>Balance as of 01.01.2022</b>	5 000	34 317	(83)	86 642	125 876
<b>Total income together</b>	0	0	0	14 257	14 257
Actuarial profits and losses	0	0	0	0	0
Income tax on actuarial profits/losses	0	0	0	0	0
Profit from financial year	0	0	0	14 257	14 257
<b>Other changes in equity capital</b>	0	49 759	0	(49 759)	0
Division of reserve capital and spare capital to pay	0	0	0	0	0
Division of profit for 2021	0	49 759	0	(49 759)	0
<b>Balance as of 30.09.2022</b>	5 000	84 076	(83)	51 140	140 133



## RESULTS OF THE SEGMENTS

for the period from 01 January 2023 to 30 September 2023 (in thousand PLN)

OPERATING SEGMENTS	for the period from 01.01.2023 - 30.09.2023				Total operations
	Continuing operations				
	Mechanically needed nonwovens	Water-needed nonwovens (spunlace)	Rental	Other	
Revenues from external customers	11 557	122 684	4 000	844	139 085
Significant items of revenue and costs, including:	(10 930)	(110 751)	(1 959)	(239)	(123 879)
Cost of manufacture of the sold products	(9 449)	(95 895)	(1 767)	0	(107 111)
Value of goods and materials sold	0	0	0	(239)	(239)
Sales costs	(447)	(4 509)	0	0	(4 956)
General administrative costs	(1 034)	(10 347)	(192)	0	(11 573)
<b>Reporting segment profit or loss</b>	<b>627</b>	<b>11 933</b>	<b>2 041</b>	<b>605</b>	<b>15 206</b>
Other operating revenue/costs	155	3 700	5	23	3 883
<b>Profit/loss from operating activity</b>	<b>782</b>	<b>15 633</b>	<b>2 046</b>	<b>628</b>	<b>19 089</b>
Amortisation and/or depreciation	358	2 668	462	0	3 488
<b>EBITDA</b>	<b>1 140</b>	<b>18 301</b>	<b>2 508</b>	<b>628</b>	<b>22 577</b>

Information about geographic areas	Revenue	Tangible assets
Domestic sales	68 832	*
Sales abroad	70 253	*

\* The tangible assets used in operating activities serve the manufacture of the products sold to the domestic as well as international market.

Sales by countries	share %
Poland	49%
Country 1	17%
Country 2	14%
Other	20%

Information about major clients	Share in revenue	Operating segment
Client 1	16%	Water-needed nonwovens (spunlace)
Client 2	11%	Water-needed nonwovens (spunlace)
Client 3	10%	Water-needed nonwovens (spunlace)

## RESULTS OF THE SEGMENTS

for the period from 01 January 2022 to 30 September 2022 (in thousand PLN)

OPERATING SEGMENTS	for the period from 01.01.2022 - 30.09.2022				Total operations
	Continuing operations				
	Mechanically needed nonwovens	Water-needed nonwovens (spunlace)	Rental	Other	
Revenues from external customers	11 049	169 271	3 745	1 725	185 790
Significant items of revenue and costs, including:	(10 671)	(152 807)	(1 761)	(1 058)	(166 297)
Cost of manufacture of the sold products	(9 488)	(136 452)	(1 639)	0	(147 579)
Value of goods and materials sold	0	0	0	(1 058)	(1 058)
Sales costs	(474)	(6 364)	0	0	(6 838)
General administrative costs	(709)	(9 991)	(122)	0	(10 822)
<b>Reporting segment profit or loss</b>	<b>378</b>	<b>16 464</b>	<b>1 984</b>	<b>667</b>	<b>19 493</b>
Other operating revenue/costs	638	199	1	(9)	829
<b>Profit/loss from operating activity</b>	<b>1 016</b>	<b>16 663</b>	<b>1 985</b>	<b>658</b>	<b>20 322</b>
Amortisation and/or depreciation	371	2 717	468	0	3 556
<b>EBITDA</b>	<b>1 387</b>	<b>19 380</b>	<b>2 453</b>	<b>658</b>	<b>23 878</b>

Information about geographic areas	Revenue	Tangible assets
Domestic sales	92 777	*
Sales abroad	93 013	*

\* The tangible assets used in operating activities serve the manufacture of the products sold to the domestic as well as international market.

Sales by countries	share %
Poland	50%
Country 1	14%
Country 2	12%
Other	24%

Information about major clients	Share in revenue	Operating segment
Client 1	16%	Water-needed nonwovens (spunlace)
Client 2	14%	Water-needed nonwovens (spunlace)
Client 3	11%	Water-needed nonwovens (spunlace)

The Company separately monitors the operating results of the segments in order to make decisions about allocation of resources, assessment of the impact of such allocation and results of operation. The basis for assessment of the results of operation is EBITDA (defined as operating profit increased by depreciation). Financing of the Company (together with the costs and financial revenues), assets and liabilities, as well as income tax are monitored at the Company level and their allocation to segments does not occur.

## **ADDITIONAL INFORMATION AND EXPLANATIONS**

### **1. Accounting principles adopted in the scope of preparation of the statement**

Financial statement as of 30 September 2023 was prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board and interpretations issued by the International Financial Reporting Interpretations Committee attached to the board, which have been approved by the European Union.

The financial statement as of 30 September 2023 should be read together with the audited financial statement as of 31 December 2022.

Presentation of the statement is based on IAS 34 „*Interim financial reporting*” with the use of the same accounting principles, which were described in the financial statement prepared as of 31 December 2022.

### **2. Periodicity, seasonality of the business activity**

In NOVITA S.A. there is no seasonality of sales.

### **3. Significant transactions of purchase and sale of tangible fixed assets and significant liabilities due to purchase of tangible fixed assets**

In the reporting period, the Company purchased tangible fixed assets for the total amount of PLN 1 453 k.

### **4. Information about failure to repay a credit or a loan or about violation of the significant provisions of the credit agreement or loan agreement, in relation to which no corrective actions were undertaken by the end of the reporting period**

The Company did not violate any significant provisions of the credit agreements.

### **5. Profits and losses due to currency exchange rate differences**

Profits and losses from exchange rate differences in the three quarters of 2023 amounted to:

- positive currency exchange rate differences PLN 2 739 k,
- negative currency exchange rate differences PLN 2 186 k.

The surplus of positive exchange rate differences over negative differences in the amount of PLN 553 k was disclosed in the item Financial income.

## 6. Changes in estimated values

	30.09.2023	31.12.2022	change
<b>Write-offs of assets:</b>	<b>1 177</b>	<b>1 137</b>	<b>40</b>
- fixed assets	0	0	0
- short-term and long-term investments	0	0	0
- provisions	445	424	21
- short-term and long-term receivables	732	713	19
<b>Assets on account of deferred income tax</b>	<b>513</b>	<b>466</b>	<b>47</b>
<b>Reserve for deferred income tax</b>	<b>10 541</b>	<b>10 381</b>	<b>160</b>
<b>Reserves:</b>	<b>493</b>	<b>684</b>	<b>(191)</b>
- for employee benefits and similar benefits:	493	684	(191)
- retirement and disability packages	215	235	(20)
- leaves	47	47	0
- other	231	402	(171)

	30.09.2022	31.12.2021	change
<b>Write-offs of assets:</b>	<b>1 129</b>	<b>1 803</b>	<b>(674)</b>
- fixed assets	0	0	0
- short-term and long-term investments	0	0	0
- provisions	408	1 042	(634)
- short-term and long-term receivables	721	761	(40)
<b>Assets on account of deferred income tax</b>	<b>783</b>	<b>542</b>	<b>241</b>
<b>Reserve for deferred income tax</b>	<b>9 755</b>	<b>9 063</b>	<b>692</b>
<b>Reserves:</b>	<b>412</b>	<b>274</b>	<b>138</b>
- for employee benefits and similar benefits:	412	274	138
- retirement and disability packages	232	246	(14)
- leaves	28	28	0
- other	152	0	152

## 7. Information about write-offs of inventory in relation to the net realizable value and their reversal

In the period from January 1, 2023 to September 30, 2023, the write-offs updating the value of inventories were reversed to the net realizable value in the amount of PLN 21 k.

## 8. Information about changes in the economic situation and operating conditions that have significant effect on the fair value of the Company's financial assets and financial liabilities

NOVITA S.A. holds shares with the nominal value of PLN 500 in Textilimpex Łódź.

In the period covered by this report, the Company did not issue any equity instruments. Financial assets held by the Company consist of cash and receivables from deliveries and services. Due to the significant share of export in the total revenues and the purchase of raw materials for production, as well as some services (transport, forwarding) paid in foreign currencies, the Company is exposed to the risk of fluctuations in the scope of currency exchange rates. Changes due to the currency exchange rate differences during sales and purchases cancel each other out to a large degree. No significant revenue hedging transactions were concluded.

Economic situation of the customers and suppliers, both in country and abroad, as well as operating conditions of the Company have not changed enough to affect the fair value of the Company's financial assets and financial liabilities.

## 9. Information about the issue, redemption and repayment of debt securities and equity securities

In the presented period, the Company did not carry out any issue, redemption and repayment of debt securities and equity securities.

**10. Information about disputes and significant settlements due to the court cases**

As at September 30, 2023, the Company was not a party to any significant proceedings before a court or other authority and did not make any significant settlements in connection with court cases.

**11. Information about changes in contingent assets or liabilities after the date of the last annual statement**

No changes have occurred in contingent assets or liabilities of the Company after 31 December 2022.

**12. Description of changes in the organization of the capital group**

Since 3 August 2016, NOVITA S.A. has become a subsidiary of Tebesa sp. z o.o., which by acquiring a majority stake of shares became the main shareholder of NOVITA S.A.

Tebesa sp. z o.o. is a subsidiary of the Israeli company Vaporjet Ltd. (holding 100% of shares in Tebesa), whose business is the production of nonwovens.

**13. Effects of changes in the composition of the entity in interim period**

No changes in the compositions of the entity occurred in the period of three quarters of 2023.

**14. Brief description of achievements or failures of the issuer, in the period covered by the report, along with the list of the most important events concerning the issuer's capital group**

Net revenues from the sale of products, goods and materials for the three quarters of 2023 amounted to PLN 139 085 k and were lower by 25.1% than the revenues from the corresponding period of the previous year amounting to PLN 185 790 k.

Operating costs in the period January - September 2023 amounted to PLN 123 879 k and were lower by 25.5% compared to the costs in the same period last year.

The EBITDA value for the three quarters of 2023 amounted to PLN 22 577 k, representing a decrease of 5.4% compared to the EBITDA value for the corresponding period of 2022.

**Information about significant events and achievements in the period January - September 2023**

- In the first quarter of 2023, the Company acquired the right to receive public aid under the government program entitled "Aid for energy-intensive sectors related to sudden increases in natural gas and electricity prices in 2022". In accordance with the application of IAS 20, the Company recognized this type of aid at the time of its receipt. In March 2023, the Company received money as part of the above-mentioned aid in the amount of PLN 3 872 k, which were included in other operating income deducted by the costs incurred strictly related to the receipt of compensation in the amount of PLN 89 k. In the statement of comprehensive income, the Company shows the value of compensation in the amount of PLN 3 783 k, i.e. the amount compensated by the value of the costs incurred in connection with its receipt.

- In the first months of 2023, the Company recorded stabilization on the gas and energy market, and the observed downward trend in prices should have a positive impact on the Company's results.
- On May 11, 2023, the Management Board of NOVITA S.A., taking into account the current financial situation of the Company and the interests of its Shareholders, informed about the decision to recommend to the Ordinary General Meeting of the Company (hereinafter "OGM") the distribution of the Company's net profit for 2022 in the amount of PLN 21 368 899.41 as follows:
  1. net profit in the amount of PLN 21 350 000.00 to be allocated to the payment of dividend to the Company's shareholders, i.e. PLN 8.54 per share,
  2. net profit in the amount of PLN 18 899.41 to be allocated to the Company's supplementary capital.
- On May 25, 2023, the Management Board of NOVITA S.A. informed about receiving from the majority shareholder of the Company - TEBES Spółka z ograniczoną odpowiedzialnością, a draft resolution for the Ordinary General Meeting of the Company, increasing the amount of the dividend payment from PLN 21 350 000.00 to PLN 30 000 000.00.
- On June 14, 2023, the Ordinary General Meeting of NOVITA S.A. adopted resolutions on:
  - approval of the Management Board's report on the Company's activities and the Company's financial statements for the financial year 2022,
  - distribution of profit earned by NOVITA S.A. for the financial year 2022, pursuant to which it decided to allocate PLN 21 368 899.41 in full to the payment of dividend and to allocate also the amount of PLN 8 631 100.59 from the distributed net profit for the years 2020 and 2021 for the payment of dividend. In total, the amount of PLN 30 000 000.00, i.e. PLN 12.00 per share of the Company, will be allocated for the payment of dividend to the Company's Shareholders. At the same time, the Ordinary General Meeting of Shareholders set the dividend date for July 3, 2023, and the dividend payment date for July 17, 2023,
  - vote of approval to Members of the Company's Management Board for the performance of their duties in 2022,
  - vote of approval to the members of the Company's Supervisory Board for the performance of their duties in 2022,
  - approval of the written report of the Supervisory Board,
  - positive opinion on the Report on remuneration of Members of the Management Board and Supervisory Board of NOVITA S.A. for 2022.
- On August 8, 2023, the Management Board of NOVITA S.A. informed about the conclusion with Santander Bank Polska Spółka Akcyjna on August 7, 2023 of Annex No. 6 to the MultiLine Agreement No. K00693/17 ("Agreement") with a limit of PLN 35 000 000.00, which provides for:
  - a) granting the Company a credit in the current and foreign currency account with the possibility of simultaneous use of the credit in the current and foreign currency account in several currencies, intended for financing current business activities,

b) opening letters of credit based on the Company's instruction/order in PLN, EUR and USD. The Company may use the loan and the possibility of opening letters of credit during the availability period, which is the period from the date of meeting the relevant conditions to the repayment date, i.e. until August 8, 2026.

**15. Information about significant events that occurred after the end of the third quarter**

- On October 23, 2023, the Management Board of NOVITA S.A. received from TEBESA sp. z o. o., which holds 1 602 719 shares of NOVITA S.A. constituting 64.11% of the Company's share capital, request to convene an Extraordinary General Meeting of Shareholders of NOVITA S.A. on December 13, 2023. The request indicated the agenda including the adoption of a resolution on the payment of an extraordinary dividend in the amount of PLN 10 000 000.00 from funds from the Company's existing supplementary capital created from the profit for 2021.
- On October 26, 2023, the Management Board of NOVITA S.A., taking into account the stable economic and financial situation of the Company, good operating results and the fact that the requested dividend payment date was set for December 28, 2023, informed that, in its opinion, the payment by NOVITA S.A. in 2023, an extraordinary dividend in the amount of PLN 10 000 000.00 will not have a negative impact on its current operations.

**16. Indication of factors, which in the issuer's assessment will influence its results achieved in the next quarter**

Due to the outbreak of the war in Ukraine, the Company is closely monitoring the activities surrounding this event. Due to the scale and dynamics of the conflict, it is difficult for the Company to estimate what additional implications the conflict may cause.

In the Company's opinion, an important factor that may affect the results achieved in the following quarters is also the observed increase in the supply of spunlace nonwovens, which translates into an increase in the degree of competitiveness. The company monitors market behavior very carefully and, if necessary, actively responds to changes.

**17. Position of the Management Board concerning the possibility of performance of previously published forecasts of results, in the light of data presented in the quarterly report in relation to the forecasted results**

„NOVITA” S.A. did not publish any forecasts of its results for 2023.

**18. Information about the transactions concluded by the issuer or subsidiary with the affiliated entities**

All transactions with related parties were concluded on market terms.

Condensed quarterly report of „NOVITA” S.A. for the third quarter of 2023

The table below presents the total amounts of transactions with related parties in the nine months period ended 30 September 2023 and 30 September 2022:

Transactions with the Related Entities*	for period 01.01.2023 - 30.09.2023			
	Sale	Receivables*	Purchases	Liabilities*
TEBESA	5	1	0	0
VAPORJET	0	0	286	12

\* The amounts are shown in gross amounts as at 30/09/2023

Transactions with the Related Entities*	for period 01.01.2022 - 30.09.2022			
	Sale	Receivables*	Purchases	Liabilities*
TEBESA	15	3	0	0
VAPORJET	0	0	105	12

\* The amounts are shown in gross amounts as at 30/09/2022

#### 19. Information about granting of sureties or guarantees by the Issuer or its subsidiary

In the period of three quarters of 2023, the Company did not grant guarantees or sureties.

#### 20. Information about paid or declared dividend

DIVIDENDS DECLARED AND PAID DURING THE REPORTING PERIOD		
Dividends from ordinary shares:	01.01.2023 30.09.2023	01.01.2022 30.09.2022
Dividend paid in accordance with the Resolution of the Ordinary General Meeting of Shareholders of June 14, 2023 - the payment was made on July 17, 2023	30 000	0
<b>Total</b>	<b>30 000</b>	<b>0</b>

In accordance with the resolution of the Ordinary General Meeting of Shareholders of the Company of June 14, 2023, the amount of PLN 30 000 k was allocated for dividend to shareholders, which is PLN 12.0 per share. The dividend covered 2 500 000 shares of the Company. The amount intended for distribution consists of the net profit achieved by NOVITA S.A. for the financial year 2022 in the amount of PLN 21 369 k and from funds transferred to supplementary capital from the Company's profit for 2020 and 2021 in the amount of PLN 8 631 k.

#### 21. Stock ownership

The composition of the shareholders of NOVITA S.A. as at the date of publication of the report for the third quarter of 2023, according to the information held by the Company, indicating the shareholders holding directly or indirectly through subsidiaries at least 5% of the total number of votes at the Issuer's General Meeting:



Condensed quarterly report of „NOVITA” S.A. for the third quarter of 2023

NOVITA S.A. shareholding structure as at 10/11/2023				
Shareholder	Number of shares	Interest in the share capital	Number of votes	Share in the total votes at the AGM
Vaporjet Ltd. (through the subsidiary Tebesa Sp. z o.o.)	1 602 719	64,11%	1 602 719	64,11%
Finveco Sp. z o. o. (directly and indirectly through the subsidiary Finveco Investements Sp. z o.o. S.K.A.)	691 000	27,64%	691 000	27,64%
Other	206 281	8,25%	206 281	8,25%
Total	2 500 000	100,00%	2 500 000	100,00%

In the period from 8 September 2023, i.e. from the date of submitting the previous report (report for the first half of 2023) to the date of publication of this report, the composition of the shareholders of NOVITA S.A. remained unchanged.

**22. Summary of ownership of the issuer’s shares by persons managing and supervising the issuer as of the date of quarterly report submission, along with the indication of changes in the ownership, in the period from submission of the previous quarterly report, separately for each person**

As at the date of submitting the report, the Company's shares were not held directly by persons managing or supervising the Company.

In the period from September 8, 2023, i.e. from the date of submission of the previous report (report for the first half of 2023) to the date of publication of this report, the number of shares of NOVITA S.A. owned by managing or supervising persons has not changed.

Zielona Góra, 10 November 2023

Signatures of the Management Board members:

Radosław Muzioł      President of the Management Board .....

Jakub Rękosiewicz      Member of the Management Board .....

Shlomo Finkelstein      Member of the Management Board .....

Rami Gabay      Member of the Management Board .....