

## THE COMPANY'S STRATEGY

The key assumption in adopted development strategy of the Issuer's Group is shareholder value creation by concentration of activity in the segment of production of seat covers and elements of equipment for the automotive industry.

The Group's main strategic objectives for the upcoming years are the following:

- Achieving a position of the first choice supplier in the automotive industry
- Increasing the market share by increasing revenues
- Intensifying involvement in research and development

### Achieving position of first choice supplier and increasing market share

The Issuer's Group intends to achieve a position of a leader among entities supplying elements of equipment and spare parts for car manufacturers. In that segment the Groclin Group is planning to grow organically and by takeovers. The organic growth strategy provides for getting a greater volume of orders with simultaneous achieving of a higher unit value of particular contracts. Moreover, the Issuer's Group is considering inorganic growth by acquisitions or mergers with entities offering complementary range of products. The objective of acquisitions will be to implement the synergy effects aimed at increasing the market strength, consolidating production capacities and improving effectiveness in terms of operation and costs.

### Increasing involvement in Research and Development

It is the intention of the Groclin Group to increase involvement in operations connected with development of new, innovative solutions for the automotive industry. This objective is to be achieved by combining operating activity with the R&D department. A desired outcome will be to optimise implemented business processes and introduce innovative solutions in industrial practice to ensure solutions adapted to customers' needs.