Annual report

company

Sarantis Czech Republic, s. r. o.

for the year 2024

Content

The Annual report has been prepared in Czech and in English language versions. In case of any discrepancies between the language versions, the Czech version prevails and is legally binding.

Basic information

Company:	**Sarantis Czech Republic, s. r. o.**
Seat:	Smrčkova 2485/4, Libeň, 180 00 Praha 8
Legal form:	Limited liability company
ID:	25705971
Established:	29th October 1998

Registration: business register maintained by Municipal Court in Prague, section C, insert 62867

Result and development of the company

The company Sarantis Czech Republic, s.r.o. occupies an important place among distributors of mass cosmetics and household goods in the Czech Republic. Our customers are national chains, wholesalers and retailers. In 2015, the company took over the distribution of Astrid products and significantly expanded the distribution of goods from the Conter supplier - Denim, Strep, Tesori d'Oriente and Vidal brands. In 2016, the company established cooperation with Tereza Maxová, who became the ambassador of the Astrid brand. New ambassador of the brand is a model Pavlína Němcová. In 2024, the company continued to present its Astrid brand through television commercials in the Czech Republic.

Another important brand of the company is the STR8 brand in the men's cosmetics category, which was also supported by a television campaign in 2024.

In the category of household and cooking utensils, the company is represented by FINO brand products, which were presented in print and digital campaigns with the support of the brand's ambassador - Karolína Kamberská, a successful cookbook author. Massive TV campaign started in 2024 and is planned also for next years.

A significant milestone for the company was the year 2018, when the Indulona brand was purchased by the Sarantis group. The company Sarantis Czech Republic, s.r.o. became a distributor of these brands on the domestic market in 2018.

Generally, the company tries to keep its growth strategy, both through new acquisitions such as the purchase or Indulona or Astrid brands, as well as organic growth in sales of the existing product portfolio. This strategy is successfully implemented by the company.

The average recalculated number of employees in 2024 is 48 people.

Future development

The goal of company is to become one of the most important players on the market in the field of mass cosmetics and household needs on the Czech market.

In 2025, the company plans to at least keep its market positions and enter into a new segment of oral care through a brand Jordan. The Company will continue to intensively support the Astrid brand in the media (several waves of television campaigns, digital support throughout the year, PR activities, press campaigns accompanied by a massive

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In 2025, the company plans to at least keep its market positions and enter into a new segment of oral care through a brand Jordan. The Company will continue to intensively support the Astrid brand in the media (several waves of television campaigns, digital support throughout the year, PR activities, press campaigns accompanied by a massive presentation of samples). New products for Astrid brand will be introduced in second half of 2025.

Significant marketing support will also be given to the men's cosmetics brand STR8, which in 2019 came up with a modern re-design of products and launched a completely new line of antiperspirants and shower gels. In 2023 the brand came with new line called STR8 Game, that will be followed by new line STR8 Wild Beat in 2025.

The Indulona brand will also continue to be supported by a television campaign that refers to the brand´s more than 70-year history, while communicating the brand´s traditional values in a modern and fresh style.

Environmental activities
According to Act No. 477/2001 Coll. about packaging Sarantis Czech Republic, s.r.o. contract with EKO-KOM, a.s. and ENVI-PAK, a.s.

Research and development acticities
The company Sarantis Czech Republic, s.r.o. does not perform any development of products directly. The new products are developed in cooperation with Group or suppliers and only according to the current legislative of the Czech Republic and the EU, so that they are environmentally friendly.

Information on labour relations
The company Sarantis Czech Republic, s.r.o. employs citizens of the Czech Republic and other member states of the European Union.

Information about organizational unit of the company abroad
The company Sarantis Czech Republic, s.r.o. does not have an organizational unit abroad.

There were no significant events after the balance sheet date.

The company has not any litigation, administrative dispute or arbitration proceedings with significant impact.

The most important indicators, performances and figures on the company´s business activities are part of the company´s financial statements, which are attached to this annual report.

In Prague on 27.6.2025

Krzysztof Jan Kaminski
Statutory representative

KPMG

KPMG Česká republika Audit, s.r.o.
Pobřežní 1a
186 00 Prague 8
Czech Republic
+420 222 123 111
www.kpmg.cz

This document is an English translation of the Czech auditor's report.
Only the Czech version of the report is legally binding.

Independent Auditor's Report

to the Member of Sarantis Czech Republic, s.r.o.

Opinion

We have audited the accompanying financial statements of Sarantis Czech Republic, s.r.o. ("the Company"), prepared in accordance with IFRS Accounting Standards as adopted by the European Union, which comprise the statement of financial position as at 31 December 2024 and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the cash flow statement for the year 2024 then ended, and notes to the financial statements, comprising material accounting policies and other explanatory information. Information about the Company is set out in Note 1 to the financial statements.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year 2024 then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors and Auditing Standards of the Chamber of Auditors of the Czech Republic, consisting of International Standards on Auditing (ISAs), which may be supplemented and amended by relevant application guidelines. Our responsibilities under those regulations are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of the Company as at 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on 27 June, 2024.

Other Information

In accordance with Section 2(b) of the Act on Auditors, other information is defined as information included in the annual report other than the financial statements and our auditor's report. The statutory body is responsible for the other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable laws and regulations, in particular, whether the other information complies with laws and regulations in terms of formal requirements and the procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with those requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- the other information describing matters that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- the other information has been prepared in accordance with applicable laws and regulations.

In addition, our responsibility is to report, based on the knowledge and understanding of the Company obtained in the audit, on whether the other information contains any material misstatement. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement.

Responsibilities of the Statutory Body for the Financial Statements

The statutory body is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the statutory body determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the statutory body is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the statutory body either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the above regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the above regulations, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the statutory body.
- Conclude on the appropriateness of the statutory body's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statutory Auditor Responsible for the Engagement

Ing. Pavel Dolák is the statutory auditor responsible for the audit of the financial statements of Sarantis Czech Republic, s.r.o. as at 31 December 2024, based on which this independent auditor's report has been prepared.

Prague
27 June 2025

KPMG Česká republika Audit, s.r.o.
Registration number 71

Ing. Pavel Dolák
Director
Registration number 2293

Sarantis Czech Republic, s.r.o.

Statement of financial position as at 31 December 2024

	Note	31/12/2024	31/12/2023
ASSETS			
Non-current assets			
Property, plant and equipment	*2*	27 480	7 257
Intangible assets	*3*	26 059	28 745
Other non-current assets		1 890	573
Non-current assets		**55 429**	**36 575**
Current assets			
Inventories	*4*	154 098	98 651
Trade receivables	*5*	109 669	94 445
Other receivables	*6*	3 841	4 178
Accruals and deferred costs	*8*	12 012	9 040
Cash and cash equivalents	*9*	56 618	53 050
Current assets		**336 238**	**259 364**
TOTAL ASSETS		**391 667**	**295 939**
LIABILITIES			
Non-current liabilities			
Lease liabilities	*17*	17 118	2 520
Deferred tax liability	*16*	4 621	5 229
Non-current liabilities		**21 739**	**7 749**
Current liabilities			
Trade and other payables	*17*	92 499	72 678
Lease liabilities	*15*	5 898	4 576
Tax liabilities	*18*	12 544	5 095
Other liabilities	*19*	35 485	14 089
Accruals and deferred income	*20*	43 470	27 382
Current liabilities		**189 896**	**123 820**
TOTAL LIABILITIES		**211 635**	**131 569**
NET ASSETS		**180 032**	**164 370**
EQUITY			
Share capital	*10*	39 320	39 320
Other reserves	*13*	5 080	4 312
Retained earnings	*11*	135 632	120 738
TOTAL EQUITY		**180 032**	**164 370**

Statutory representative: Krzysztof Jan Kaminski

Sarantis Czech Republic, s.r.o.

Statement of profit or loss and other comprehensive income

for the year ended 31 December 2024

	Note	31/12/2024	31/12/2023
Revenue	*21*	1 246 249	1 098 067
Other operating income	*22*	18 717	15 606
Raw materials and consumables used	*23*	729 820	627 542
Services	*24*	311 091	294 828
Depreciation and amortisation expense		9 338	6 454
Employee benefit expenses	*25*	61 245	51 949
Other expenses	*26*	5 965	6 990
Finance income	*27*	7 038	6 366
Finance expense	*27*	14 387	13 925
PROFIT BEFORE TAX		**140 158**	**118 351**
Tax expense	*28*	30 329	23 416
PROFIT OR LOSS		**109 829**	**94 935**
TOTAL COMPREHENSIVE INCOME		**109 829**	**94 935**

Statutory representative: Krzysztof Jan Kaminski

Sarantis Czech Republic, s.r.o.

Cash Flow statement

for the year ended 31 December 2024

	Note	31/12/2024	31/12/2023
Cash and cash equivalents, beginning of the period	9	**53 050**	**34 234**
Cash flows from Operating Activities		**115 062**	**103 542**
Profit before Tax		140 158	118 351
Adjustments:			
Depreciation & amortization	2, 3	9 338	6 454
Plus/minus adjustments for changes in working capital accounts		-13 721	-2 558
Decrease / (increase) in receivables		-16 204	-761
Decrease / (increase) in inventories	4	-55 447	25 795
Decrease / (increase) in transitional assets accounts	8	-2 972	-631
(Decrease) / increase in liabilities (other than to banks)	17, 19	44 814	-36 907
(Decrease) / increase in transitional liability accounts	20	16 088	9 946
Interest income and other related income		-539	-1 179
Interest expense and other related expenses		6 143	4 732
Tax Paid		-26 317	-22 258
Cash flows from Investment Activities		**-6 479**	**-4 433**
Interest received		539	1 179
Revenues from sale of tangible and intangible assets			
Acquisition of tangible and intangible assets		-7 018	-5 612
Dividends received			
Cash flows from Financial Activities		**-105 015**	**-80 293**
Interest paid		-6 143	-4 732
Dividends paid	11	-94 935	-75 952
Inflows/ (Outflows) stock awards		0	0
Inflows/ (Outflows) from leasses	15	-3 937	391
Cash and cash equivalents, end of the period	9	**56 618**	**53 050**

Statutory representative: Krzysztof Jan Kaminski

Sarantis Czech Republic, s.r.o.

Statement of changes in equity

for the year ended 31 December 2024

	Share capital	Other reserve fund	Stock awards	Retained earnings	Total equity
Balance 1/1/2023	**39 320**	**3 932**	**0**	**101 755**	**145 007**
Profit for the period				94 935	**94 935**
Other equity changes			380		**380**
Dividend paid to shareholders				-75 952	**-75 952**
Balance 31/12/2023	**39 320**	**3 932**	**380**	**120 738**	**164 370**
Profit for the period				109 829	**109 829**
Other equity changes			768		**768**
Dividend paid to shareholders				-94 935	**-94 935**
Balance 31/12/2024	**39 320**	**3 932**	**1 148**	**135 632**	**180 032**

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Financial Statement of Sarantis Czech Republic, s.r.o.
for the period
from 1 January 2024 to 31 December 2024

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Statutory representative: Krzysztof Jan Kaminski

ADDITIONAL INFORMATION AND EXPLANATIONS

The general information

1. Name, address, the basic object of the activity of the Company

The company Sarantis Czech Republic, s.r.o. hereinafter referred to as statement "Company", is an important distributor of mass cosmetics and household products on the market of Czech Republic. The Company's customers are international retail chains and local retailers and wholesalers.
The Company was registered on 29.10.1998 by the Municipal Court in Prague, section C, insert 62867.

Company ID 25705971

Company address
Smrčkova 2485/4
180 00 Prague 8 - Libeň

2. Statutory representatives of the Company

On 31 December 2024 the statutory representative of the Company is:
Krzysztof Jan Kaminski

The Company is represented by the statutory representative. The Company has one statutory representative.

3. Supervisory Board

The Supervisory Board is not obligatory for limited liability companies and was not established.

4. Statutory auditor

KPMG Česká republika Audit, s.r.o.
Pobřežní 1a
180 00 Prague 8

5. Name of the parent company

GRIGORIS SARANTIS ANONYMI VIOMICHANIKI & EMPORIKI ETAIRIA KALLYNTIKON ENDYMATON OIKIAKON & PHARMAKEFTIKON EIDONGR, hereinafter GR Sarantis SA
Address: 15125 Marousi, Amarousiou - Halandriou 26, Greece
Registration: 72405
Legal form: Limited liability company
Share: 100%

6. Principles of presentation

Information on principles adopted for preparation of financial statement for 2024

The financial statement has been prepared in accordance with accounting principles contained in the International Financial Reporting Standards adopted by the European Union. The financial statement covers the period from 1 January to 31 December 2024 and the comparative period from 1 January to 31 December 2023.

The financial statement is compliant with all IFRS requirements adopted by the EU and present a true and fair view of the Company's financial position as of 31 December 2024 and 31 December 2023, results of its activity and cash flows for the year ended 31 December 2024 and 31 December 2023.

7. Statement of the Statutory representative

1) The statutory representative of Sarantis Czech Republic, s.r.o. hereby honestly and sincerely declares that to the best of its knowledge the foregoing financial statement and comparative data were prepared in compliance with International Financial Reporting Standards adopted by the European Union (IFRS). The statement reflects true and fair view on financial position and its financial result of Sarantis Czech Republic, s.r.o. and that the statutory representative commentary on the Company's operations presents true overview of Company's development, achievement and business situation of Company, including basic risks and exposures.

1. Basis for the preparation of the report and accounting principles

Basic of the financial statement

Financial statement of Sarantis Czech Republic, s.r.o. is prepared in accordance with International Accounting Standards adopted by European Union. The statement was prepared assuming that the company will continue its activity in the nearest future. On the day in which this statement was accepted there is no circumstances indicating any danger to continue of business activity of Company.

Consolidated financial statement

Consolidated financial statement, which includes also subsidiary entities is performed by highest level parent company GR Sarantis SA, based in 15125 Marousi, Amarousiou - Halandriou 26, Athens, Greece.

The consolidated financial statement, the audit report by the certified auditor and the management report of the Board of Directors of GR SARANTIS S.A. are being presented on the address:
https://sarantisgroup.com/investor-relations/financial-briefing/results-release/

Accounting period

The Financial statements are reported for period of 12 months from 1 January 2024 to 31 December 2024. Comparative data relates to period of 12 months from 1 January 2023 to 31 December 2023.

Functional currency and presentation currency of financial statements

The financial statement is presented in thousands of Czech Crowns. The Czech crown is a functional and reporting currency of the Company.

Critical accounting judgements and key sources of estimation uncertainty

In applying the Company's accounting policies, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognized and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in financial statements:

Estimation of the useful life of assets

The Company value the useful lives of tangible and intangible fixed assets. These estimates shall be reviewed at least on a yearly basis taking into account new circumstances and market conditions.

Assets with right of use

The Company's most significant estimates regarding right of use assets relate to the determination of the existence of leases in specific transactions, the terms of renewal of leases and the determination of the discount rate.

Provision for income tax

The income tax provision under IAS 12 "Income Taxes" relates to the amounts of taxes that are expected to be paid to the tax authorities and includes the provision for current income tax and the provision for any additional taxes that may arise as a result of control by the tax authorities.

Income tax expense may differ from these estimates due to changes in tax legislation, significant changes in the laws or unforeseen consequences from the final determination of the tax liability of each fiscal year by the tax authorities. These changes may have an impact on the Company's financial position. In the event, that the resulting additional taxes are different from the amounts initially recorded, these differences will affect income tax and deferred tax provisions in the use that has been made to determine tax differences.

Inventories

Inventories are valued at the lower of their acquisition cost and their net realizable value. Net realizable value is the estimated selling price in the ordinary course of business of the Company less the estimated cost necessary to make the sale. The management makes estimates for the calculation of any provision for impairment of inventories, including, but not limited to, the maturity of inventories, their movement through use, planning for the next period, and an estimate of the future selling price.

Provisions for expected credit losses from customer receivables and contract assets

The Company applies the simplified approach of IFRS 9 for the calculation of expected credit losses, according to which the provision for impairment is always measured at the amount of the expected credit losses over the life of the receivables from customers. At each balance sheet date, the historical percentages used and the estimates of the future financial situation are updated.

The correlation between the historical data, the future financial situation and the expected credit losses includes significant estimates. The amount of expected credit losses depends to a large extent on the changes in the conditions and forecasts of the future financial situation. In addition, past experience and forecasts for the future may not lead to conclusions indicative of the actual amount of customer default in the future.

Contingent liabilities

The Company might be involved in disputes and legal proceedings. The Company reviews the status of each significant case on a periodic basis and evaluate the potential economic risk, based on the views of legal advisers. If the potential loss from any litigation or legal case is considered probable and the amount can be estimated reliably, the Company calculate a provision for the estimated loss. Both the determination of the probability and the determination of whether the risk can be reliably estimated require the management's judgment to a significant degree. When additional information becomes available, the Company reconsider the potential liability for outstanding litigation and legal affairs and may review the estimates of the probability of an adverse effect and the related estimate of potential loss. Such revisions to the estimates of the potential liabilities may have a significant impact on the Company's financial position and results.

Property, plant and equipment

Property, plant and equipment are presented at acquisition cost minus accumulated depreciations and possible impairment losses. The acquisition cost includes all expenses directly attributed to the acquisition of the assets. Subsequent expenses are registered as in increase of the asset book value or as a separate fixed asset, only to the extent where such expenses increase the future economic benefits expected to arise from the use of the fixed assets, and the cost of such may be reliably calculated. The cost of repairs and maintenance is registered in the results of the period where such are realized.

Property, plant and equipment are depreciated (amortized) using the straight-line method and impairment losses. The depreciation is reported in Statement of profit or loss under the line “Depreciation and amortization expense”. The costs of current maintenance of assets affect the financial result of the period in which they were incurred.

Depreciation of property, plant and equipment starts since when it is available for use that means it is in the location and condition necessary for it to be capable of operating. The beginning of the depreciation starts not later than one month after acquisition date and follows in the manner intended by the management, over the period reflecting their estimated economic useful life. The correctness of applied periods, depreciation methods and residual value of fixed assets is verified on each balance sheet day and respective adjustments are made if it is necessary.

The following types of useful life are used for fixed assets:

Buildings and constructions	30 years
Machinery and equipment	3 - 5 years
Vehicles and others	5 years

If there have been events or changes which indicate that the carrying amount of fixed assets may not be recoverable, the assets are analyzed. If there are indications of impairment, the company makes estimation of recoverable amounts of particular assets. Loss is included if accounting value of asset is higher than estimated recoverable value.

The recoverable amount of property, plant and equipment reflects the higher of the following values: net selling price and value in use. Impairment allowances are recognized as other operating costs in the profit and loss.

Profit and loss resulting from the removal tangible fixed asset from the balance sheet are calculated as difference between net incomes from disposal, and balance sheet value and shown as income or cost in the profit and loss account.

Investment property

The Company does not hold any investment property.

Leases

Leasing is defined as a contract or part of a contract that delegates the right to control the use of an identified asset (underlying asset) for a given period in exchange for consideration. To this reason, three basic aspects are analyzed:

• whether the contract relates to an identified asset that is either clearly specified in the contract or implicitly when the asset is made available to the Company,

• whether the Company has the right to obtain substantially all economic benefits from the use of the asset over the entire useful life to the extent specified in the contract,
• whether the Company has the right to direct the use of the identified asset over the entire useful life.
At the commencement date, the Company recognizes an asset under the right of use and a liability under the lease. The right of use is initially measured at the purchase price consisting of the initial value of the lease liability, initial direct costs, an estimate of the costs expected in connection with the dismantling of the underlying asset and the lease payments paid on or before the start date, less leasing incentives.
The Company depreciates use rights on a straight-line basis from the start date until the end of the useful life period or the end of the lease term, depending on which of these dates is earlier. If there are indications, the rights to use are tested for impairment in accordance with IAS 36.
The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.
Lease payments included in the value of the lease liability consist of fixed lease payments, variable lease payments dependent on the index or rate, amounts expected to be paid as a guaranteed residual value and payments for call options if they are reasonably certain.
In subsequent periods, the lease liability is reduced by repayments made and increased by accrued interest. The valuation of the lease liability is updated to reflect changes in the contract and the reassessment of the lease term, exercise of the call option, guaranteed residual value or lease payments dependent on the index or rate. In principle, the revaluation of the liability is recognized as an adjustment to the asset due to the right of use. The company uses practical standards approved for short-term leasing and leasing in which the underlying asset is of low value. For such contracts, lease payments are recognized in profit or loss on a straight-line basis over the lease term. The Company presents right of use in the same items of the statement of financial position as the underlying assets, i.e. in tangible fixed assets.

Intangible assets

Intangible assets are recognized if it is probable that expected future economic benefits, which are directly attributable to the assets, will cause increase of entity. Initially intangible assets are stated at acquisition or construction cost. After initial recognition, intangible assets are measured at acquisition or construction cost less amortization and impairment allowances. Intangible assets with a definite useful life are amortized when it is available for use that is when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management over their estimated economic useful life. The correctness of the applied amortization periods and rates is periodically reviewed, at least at the end of the reporting year, and potential adjustments to amortization allowances are made in the subsequent periods. Intangibles with indefinite useful life are not subject to depreciation. Their value is reduced by potential impairment allowances.

Amortization of intangible asset is recognized on a straight-line basis over their estimated useful lives. The depreciation is reported in Statement of profit or loss under the line “Depreciation and amortization expense”. The standard economic useful lives for amortization of intangible assets are following:

Acquired trademarks 50 years
Acquired computer software SAP 10 - 22 years
Acquired other computer software and other intangible assets 5 years

Other intangible assets are verified in terms of impairment allowances at the end of each reporting period. If there are indications of impairment, and the carrying amount exceeds the estimated recoverable amount, the value of those assets or the related cash-generating units is decreased to the recoverable amount. The recoverable amount of those assets is the higher of the following values net selling price or their value in use.

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortized cost using the effective interest rate method, less provision for impairment.
The classification of financial assets at initial recognition depends on the contractual characteristics of the cash flows of the financial asset and the business model of the Company for the management. Receivables from customers that do not have a significant financial component are valued at the transaction price determined in accordance with IFRS 15.
All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:
(a) significant financial difficulty of the issuer or the borrower;
(b) a breach of contract, such as a default or past due event;
(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
(e) the disappearance of an active market for that financial asset because of financial difficulties

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

A financial asset is derecognized primarily when:
• The rights to receive cash flows from the asset have expired, or
• The Company has transferred their rights to receive cash flows from the asset or have undertaken to fully pay the cash flows received without significant delay to a third party under a pass-through agreement and either (a) the Company has transferred substantially all the risks and rewards of the asset or (b) the Company has not transferred or held substantially all the risks and estimates of the asset but have transferred the control of the asset.
When the Company has transferred the rights to receive cash flows from an asset or have entered into a transfer agreement, they assess whether and to what extent they own the risks and rewards of ownership.
When the Company has not transferred or hold substantially all the risks and rewards of the asset and have not transferred ownership of the asset, they continue to recognize the transferred asset to the extent of its continued

involvement. In this case, the Company also recognizes any relevant obligation. The transferred asset and the related liability are valued on the basis of the rights and obligations that the Company holds.

Financial assets at amortized cost

The Company measures financial assets at amortized cost if both of the following conditions are met: (a) the financial asset is retained in a business model in order to hold financial assets for the collection of contractual cash flows; and (b) the contractual clauses of the financial asset generate cash flows on specific dates that consist only of capital and interest payments on the balance of the original capital.
Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Trade receivables

Receivables from customers are recognized when there is an unconditional right to receive the consideration for the client's contractual obligations to the entity. A contract asset is recognized when the Company has satisfied their obligations to the customer before the customer pays or before the payment is due, for example when the goods or services are transferred to the customer prior to the Company's right to issue an invoice. Receivables from customers on credit are initially recognized at their fair value, which corresponds to the nominal value, net of impairment losses.
Regarding non-doubtful trade receivables, the Company applies the simplified approach of IFRS 9 and calculate the expected credit losses over the life of the receivables. For this purpose, the Company uses a maturity forecast table based on the historical data for credit losses, adjusted for future factors in relation to borrowers and the economic environment. The bad debts are evaluated one by one for the calculation of the relevant provision. The amount of the provision is recognized in the statement of comprehensive income.

Liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method.

Financial liability and effective interest method

An instrument is classified as a financial liability if it is:

- A contractual obligation:
    - To deliver cash or other financial assets; or
    - To exchange financial assets or financial liabilities with another entity under potentially unfavorable conditions (for the issuer of the instrument); or

- A contract that will or may be settled in the entity's own equity instrument and is:
    - A non-derivative that comprises an obligation to deliver a variable number of its own equity instruments; or
    - A derivative that will or may be settled other than by the entity exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

Subsequent to initial recognition, financial liabilities are measured at amortized cost calculated under the effective interest method except for liabilities:

- Measured at FVTPL
- That arise when a transfer of a financial assets does not qualify for derecognition or is accounted for using the continuity involvement approach;
- That are commitments to provide a loan at a bellow-market interest rate and not measured at FVTPL; and
- That are financial guarantee contracts

The effective interest method is a method of calculating the amortized cost of financial assets or financial liability and allocating the interest income or expense over the relevant period. It differs from the straight -line method in that the amortization under the effective interest method reflect a constant periodic return on the carrying amount of the asset or liability.

The effective interest rate is calculated on initial recognition of financial asset or financial liability. It is the rate that exactly discounts estimated future cash payments or receipts through the expected life of financial instruments to:

- The gross carrying amount on the financial asset; or
- The amortized cost of the financial liability

On initial recognition, the gross carrying amount on financial asset, or the amortized cost of a financial liability, is generally equal to fair value of the instrument, adjusted for transaction costs.

The effective interest rate is revised as a result of:

- Periodic re-estimation of cash flows of floating rate instruments to reflect movements in market rates of interest
- Fair value hedge adjustment at the date on which an entity begins to amortize them; and
- It appears, costs and fees arising as part of modifications that do not result in derecognition.

To calculate interest income or expense in each relevant period, the effective interest rate is applied to the gross carrying amount of the asset (or amortized cost of credit-impaired assets) or the amortized costs of the liability.

Inventories

Inventories are measured at the lower of cost and net realizable value, considering any inventory allowances. The net realizable value is the selling price estimated in the ordinary course of business activity less the estimated costs of completion and the estimated selling costs.

Cost of goods sold is determined based on the weighted average costs formula.

The Company does not apply fair value less costs to sell to any of its inventory.

Cash and cash equivalent

Cash includes cash in hand and cash at the bank. Cash equivalent are short-term high liquid investments, convertible to known amounts of cash and exposed to small risk of change of the value. Cash is valuated in the nominal value in accordance with the fair value.

Accruals and deferred costs

Accruals and deferred expense/cost is an asset that represents either:

- a deferred expense is a cost that has already been incurred, but which has not yet been consumed.
- an accrued income, that has been earned, but has yet to be received. The accrued income is recognized when it is earned in accordance with accrual accounting method.

Accruals and deferred income

Accruals and deferred income are a liability that represents either:

- an accrued expense, which are payments that a company is obligated to pay in the future for which goods and services have already been delivered.
- a deferred income is unearned revenue, when company receives payment from a customer before the product or service has been delivered.

Revenues

Under IFRS 15, revenue is recognized in the amount that the Company expects to be entitled to in exchange for the transfer of the goods or services to a customer.

Revenue is defined as the amount that an entity expects to be entitled to receive in exchange for the goods or services it has transferred to a client, except for amounts collected on behalf of third parties (value added tax, other sales tax). Variable amounts are included in the consideration and are calculated using either the "expected value" method or the "most likely amount" method.

The Company recognizes revenue when (or as it) meets the obligation to execute a contract by transferring the goods or services promised to the customer. The customer acquires control of the good or service if the customer is able to direct the use and derive virtually all the economic benefits from that good or service.

The Company's revenue is derived from selling goods with revenue recognized at point of time. This is generally when the goods are delivered to the customer. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the Company no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question.

The Company is active in the production and distribution of consumer products. The main products of the Company and the Group are perfumes, personal care products, sunscreen products, hair care products as well as food packaging products, plastic garbage bags and household cleaning products. Net proceeds from sales are measured at the fair value of the consideration received or receivable and are declared net of discounts on sales and the consideration paid to customers. These are, in particular, incentives to promote sales which are recorded as deductions from sales. The incentives deducted from sales comprise of contractual discounts, promotional discounts and all trade expenses (fixed bonuses, performance bonuses, logistic bonuses, marketing bonuses etc.).

The goods sold by the Company do not include any special warranty or right of return except the standard rights, that are given by general local legislation. The Company does not record any separate performance obligation in this respect.

The customer receivable is recognized when there is an unconditional right for the entity to receive the consideration for the contractual obligations performed to the customer. A contract asset is recognized when the Company has satisfied its obligations to the customer before the customer pays or before the payment is due, for example when the goods or services are transferred to the customer prior to the Company's right to issue an invoice. The Company applies the practical expedient, where the interval between transfer of the promised goods or services and payment by the customer is expected to be less than 12 months, then there is no financing component.

The contract liability is recognized when the Company receives a consideration from the client (prepayment) or when it retains the right to a price that is unconditional (deferred income) before performing the obligations of the contract and the transfer of the goods or services. The contractual obligation is de-recognized when the contractual obligations are executed, and the income is recorded in the income statement.

Classification of revenue is as follows:

Sales of goods
Sales of goods are recognized when the Group delivers the property and risks associated with the ownership of the goods to the customers, the goods are accepted by them and the collection of the receivable is reasonably assured. The transaction price is therefore allocated to the revenue from sale of goods.

Interest income
Interest income is recognized on a time proportion basis using the effective interest rate.

Equity capital

Equity capital is divided by the types of accordance with low rights and resolutions of Company Statute.
Share capital is presented in the nominal value, in the amount according to the Company Statute and entry in the commercial register. Declared but no made contributions are included by due contributions to the initial capital. Own funds of the Company are decreased by due contributions to the share capital.
Non-divided profits for the previous years are presented in the financial statement as the retained profits. Current results (profits) are presented in the financial statement as retained profits.
Reserve fund is reported as a part of equity and represents legal reserve fund. Based on the Commercial Code, the Company was obliged to contribute to the legal reserve fund from the annual approved profit. Currently the Company is not obliged to further contribute the legal reserve fund.

Transactions in foreign currency

Transactions in foreign currency are carried out in accordance with exchange rate:

1) used in fact in this day, resulted from character of operation, in case of sale or purchase of currencies and incoming and outgoing payments,
2) Czech National Bank official daily rate, published for particular currency, if the use of the exchange rate as in point 1 above is not possible and for the all other operations.

Exchange rate differences and evaluations of financial assets and liabilities on the balance sheet date, in accordance with Czech National Bank exchange rate on this day, are presented as financial costs or incomes in the profit and loss account.
Non-cash assets and liabilities, included in accordance with historical cost expressed in foreign currency are presented with historical exchange rate from the transaction day. Non-cash assets and liabilities included in accordance with fair value, expressed in foreign currency are calculated by exchange rate from the valuation day.
Exchange rate differences resulting from clearance of transactions in foreign currencies and valuation of assets and liabilities in cash on the balance sheet day are presented as financial costs or income in statement of complete income in net amount.
For the balance valuation, the following exchange rates were adopted:

Exchange rate at the day	*31.12.2024*	*31.12.2023*
USD	24,237	22,376
EUR	25,185	24,725
PLN	5,890	5,694

Income tax

The income tax includes current part and deferred part. Current and deferred income tax is included in profit or loss of current period, except the case, when it regards to merger of companies and items included immediately in equity or as other total income.

Current tax is an expecting amount of liabilities or receivables from income tax which have to be taxed for particular year, calculated with the use of tax rates, legally or actually binding as of the reporting day and corrections of tax liability regarding previous years.

Deferred tax is included in connection with temporary differences between balance sheet value of assets and liabilities and their value calculated for tax purposes. Deferred tax is not included in following cases:

- temporary differences resulted from initial presentation of assets or liabilities resulting from the transaction which is not a merger of companies and has not any influence for profit and loss of current period and for taxable income,
- temporary differences resulted from the investments in affiliated companies to the extent in which there is no possibility to sell it in the foreseeable future,
- temporary differences resulted from the initial presentation of goodwill.

Deferred tax is valued with the use of tax rates, which in accordance with expectations are going to be used when the temporary differences will be reversed - legally or actually tax rules binding up to reporting day are the base of this.

Assets and provisions for deferred tax are compensated when the company has possibility to execute legal title to conduct the compensation of current tax assets and provisions, subject to the assets and provisions for deferred tax regarding to the income tax, imposed by the same tax authority on the same tax payer or different tax payers, which are going to settle assets and provisions for deferred tax in net amount or at the same time to realize receivables and settle the liabilities.

Component of assets, from deferred tax for the purpose of transfer not settled amount tax loss and not used income tax relief and negative temporary differences, is included to the extent in which there is a possibility to have future income to tax, which allows for deduction of them.
Assets for deferred tax are reviewed as of the reporting day and they are reduced according to the possibility of generation profits in income tax, connected with them.

Employee benefit expenses

Employee benefits are recognized as an expense on an accrual basis. The employee benefit expenses comprise of gross salaries, social and health insurance paid by employer, other employee benefits and untaken holiday. The untaken holiday is calculated per individual employee as number of untaken hours as of closing date multiplied by average gross salary of the employee and attributable social and health insurance expense paid by employer.

Contingent liabilities

Contingent liabilities are defined as obligations that arise from past events and which are dependent on occurrence or non-occurrence of some uncertain future events. Contingent liabilities are not recognized in the balance sheet however the information on contingent liabilities is disclosed unless the probability of outflow of resources relating to economic benefits is remote.

Application of the accounting principles

The above principles are applicable also for comparative data.

Impact of new Standards and interpretations on the Company's financial statements

Changes in standards or interpretations in force and applied by the company since 2024.

The following new or amended standards become effective from 1 January 2024, but did not have any material impact on the Company's financial statements:

- **Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements**

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

To meet the disclosure objective, an entity will be required to disclose in aggregate for its supplier finance arrangements:

- The terms and conditions of the arrangements
- The carrying amount, and associated line items presented in the entity's statement of financial position, of the liabilities that are part of the arrangements
- The carrying amount, and associated line items for which the suppliers have already received payment from the finance providers
- Ranges of payment due dates for both those financial liabilities that are part of a supplier finance arrangement and comparable trade payables that are not part of a supplier finance arrangement
- Liquidity risk information

These amendments had no effect on the financial statements of the Company.

- **Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current**

The IASB has issued Amendments to IAS 1: Classification of Liabilities as Current and Non-current, which relate only to the recognition of liabilities in the statement of financial position (not the amount or timing of recognition of any asset, liability, income or expenses, or the information that entities disclose about those items). The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and are to be applied retrospectively. Earlier application is permitted.

The amendments:

- clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability,
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, and

- make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

These amendments had no effect on the financial statements of the Company.

- **Amendments to IAS 1 Presentation of Financial Statements – Non-current liabilities with Covenants**

The amendments to IAS 1 published in October 2022 specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The amendments to IAS 1 are applied retrospectively in accordance with IAS 8 for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted.

These amendments had no effect on the financial statements of the Company.

- **Amendments IFRS 16 Leases - Lease Liability in a Sale and Leaseback**

The amendments add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 Revenue from Contracts with Customers to be accounted for as a sale.
The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognize a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date. The amendments do not affect the gain or loss recognized by the seller-lessee relating to the partial or full termination of a lease.
The amendments are effective for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted. A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the entity first applied IFRS 16.

These amendments had no effect on the financial statements of the Company.

Standards and Interpretations issued by the IASB that are not yet effective

International Accounting Standards Board (IASB) has prepared new standards and the amendments of current IFRS's with effect for the next year. We briefly inform about these new standards and amendments with their description, which have been published but have not yet effective. The Company is currently investigating impact of the new standards and amendments on its financial statements. The Company does not believe these standards and interpretations will have a material impact on the financial statements once adopted.
You can see the list of amendments below:

- **Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability**

The amendments state that a currency is exchangeable when an entity is able to exchange that currency for another currency through market or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and for a specified purpose.

A currency is not exchangeable into another currency if an entity can only obtain an insignificant amount of the other currency.

If a currency is not exchangeable at the measurement date, the entity is required to estimate the spot exchange rate as the rate that would have applied to an orderly exchange transaction between market participants at the measurement date under prevailing economic conditions.

If a currency is not exchangeable, the entity is required to disclose information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity 's financial performance, financial position and cash flows.

The pronouncement also includes a new appendix with application guidance on exchangeability and a new illustrative example.

An entity does not apply the amendments retrospectively. Instead, an entity recognizes any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings when the entity reports foreign currency transactions. If an entity uses a presentation currency other than its functional currency, it recognizes the cumulative amount of translation differences in equity.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025.

2. Property plant and equipment

	31. 12.2024	31. 12.2023
Equipment and machinery	725	241
Furniture	2 630	-
Fit-out on leased building	3 234	-
Right of use - Vehicles	5 470	4 998
Right of use - Buildings	15 421	2 018
Total property plant and equipment	**27 480**	**7 257**

The Company concluded a new lease agreement related to Company's new office in Prague 8. This is represented by significant change of ROU Buildings. Item Fit-out on leased building represents technical works in new office.

Changes of property plant and equipment were following in 2024:

Gross value	**ROU Buildings**	**Equipment and machinery**	**ROU Vehicles**	**Furniture**	**Fit-out**	**Total**
Balance 1 January 2024	**11 011**	**4 030**	**14 437**	**257**	**-**	**29 735**
Increases:						
acquisition	17 192	579	3 691	2 853	3 432	27 747
Decreases:						
Disposals	-11 011	- 2 985	- 7 249	-178		-21 423
Balance 31 December 2024	**17 192**	**1 624**	**10 879**	**2 932**	**3 432**	**36 059**

Accumulated depreciation and impairment loss	**ROU Buildings**	**Equipment and Machinery**	**ROU Vehicles**	**Furniture**	**Fit-out**	**Total**
Balance 1 January 2024	**8 993**	**3 788**	**9 440**	**257**	**-**	**22 478**
Increases:						
depreciation for the year	2 865	255	3 109	223	198	6 650
Decreases:						
disposals	-10 087	-3 144	-7 140	-178	-	-20 549
Balance 31 December 2024	**1 771**	**899**	**5 409**	**302**	**198**	**8 579**

Net accounting value:						
as at 31st December 2023	**2 018**	**242**	**4 997**	**-**	**-**	**7 257**
as at 31st December 2024	**15 421**	**725**	**5 470**	**2 630**	**3 234**	**27 480**

In 2024, the Company did not make any changes to depreciation periods.

Changes of property plant and equipment were following in 2023:

Gross value	ROU Buildings	Equipment and machinery	ROU Vehicles	Furniture	Tangible FA under construction	Total
Balance 1 January 2023	**10 542**	**3 912**	**11 585**	**257**	**-**	**26 296**
Increases:						
acquisition	469	118	5 283			5 870
Decreases:						
Disposals			-2 431			-2 431
Balance 31 December 2023	**11 011**	**4 030**	**14 437**	**257**	**-**	**29 735**

Accumulated depreciation and impairment loss	ROU Buildings	Equipment and Machinery	ROU Transportation Means	Furniture	Tangible FA under construction	Total
Balance 1 January 2023	**7 043**	**3 550**	**8 457**	**257**	**-**	**19 307**
Increases:						
depreciation for the year	1 950	238	3 155			5 343
Decreases:						
disposals			-2 172			-2 172
Balance 31 December 2023	**8 993**	**3 788**	**9 440**	**257**	**-**	**22 478**

Net accounting value:

as at 31st December 2022	3 499	**362**	3 128	-	-	**6 989**
as at 31st December 2023	2 018	**242**	4 997	-	-	**7 257**

In 2023, the Company did not make any changes to depreciation periods.

3. Intangible fixed assets

	31. 12.2024	31. 12.2023
Computer software	3 935	5 643
Property rights	22 124	23 102
Total intangible fixed assets	**26 059**	**28 745**

Property rights are represented by exclusive distribution contract for Astrid products from 2014. Useful live of this property right was set at 50 years.

Changes of intangible fixed assets were following in 2024

Gross value	**Computer software**	**Property rights Astrid**	**Total**
Balance 1 January 2024	**12 179**	**27 655**	**39 834**
Increases:			
Acquisition			
Decreases:			
Disposals	-359		-359
Balance 31 December 2024	**11 820**	**27 655**	**39 475**

Accumulated depreciation and impairment loss	**Computer software**	**Property rights Astrid**	**Total**
Balance 1 January 2024	**6 111**	**4 978**	**11 089**
Increases:			
depreciation for the year	2 133	553	2 686
Decreases:			
disposals	-359		-359
Balance 31 December 2024	**7 885**	**5 531**	**13 416**

Net accounting value:

as at 31st December 2023	**6 068**	**22 677**	**28 745**
as at 31st December 2024	**3 935**	**22 124**	**26 059**

The Company expects to implement new software SAP (S4 Hana) in 2025 and thus applied accelerated depreciation of current SAP in 2024. The accelerated depreciation did not have material impact on 2024 financial results.

No other changes to depreciation periods have been applied in 2024.

Changes of intangible fixed assets were following in 2023

Gross value	Computer software	Property rights Astrid	Total
Balance 1 January 2023	**12 179**	27 655	**39 834**
Increases:			
Acquisition			
Decreases:			
Disposals			
Balance 31 December 2023	12 179	**27 655**	**39 834**

Accumulated depreciation and impairment loss	Computer software	Property rights Astrid	Total
Balance 1 January 2023	**5 554**	4 425	**9 979**
Increases:			
depreciation for the year	557	553	1 110
Decreases:			
disposals			
Balance 31 December 2023	**6 111**	4 978	11 089

Net accounting value:			
as at 31st December 2022	6 625	23 230	**29 855**
as at 31st December 2023	6 068	22 677	**28 745**

In 2023, the Company did not make any changes to depreciation periods.

4. Inventories

	31.12.2024	31.12.2023
Merchandise in warehouse incl. provision	144 792	92 640
Packaging	979	2 119
Merchandise in transfer	8 327	3 892
Advances for the delivery of goods	-	-
	154 098	**98 651**

As at 31 December 2024 and 31 December 2023 has been not established any pledge on the inventories to secure the Company's liabilities. There was write-off on damaged or unsalable inventories in 2024 of TCZK 2 397 (2023 – TCZK 3 833).

The Company has recorded, in line with internal policies, an adjustment to inventory of TCZK 755 as of 31 December 2024 and an adjustment of 768 TCZK as of 31 December 2023.

Movements regarding the inventory provision were following:

	2024	2023
Beginning of a period	768	2 173
Increase	755	768
Usage	768	2 173
Release	-	-
At the end of a period	**755**	**768**

5. Trade receivables and other receivables

	31.12.2024	31.12.2023
Trade receivables domestic	77 878	70 239
Trade receivables foreign	32 445	22 104
Trade receivables from related parties	474	54
Trade receivables from other entities	-	3 730
Provision for bad debts on trade receivables	-1 128	-1 682
Short-term receivables	**109 669**	**94 445**

Trade receivables are interest-free and their term of payment is 14 - 60 days. The Company has recorded, in line with internal policies, a bad debt provision of TCZK 1 128 as of 31 December 2024 (2023: TCZK 1 682).

Movements regarding provision for bad debts were following:

	2024	2023
Beginning of a period	1 682	1 442
Increase	52	240
Usage	-606	-
Release	-	-
At the end of a period	**1 128**	**1 682**

Below is an analysis of trade receivables as at December 31, 2024 and December 31, 2023 in respect of the overdue receivables. Negative balances represent credit notes not yet matched with open trade receivables.

			Overdue, but recoverable				
Year	**Total**	**Not overdue**	**< 30 days**	**30 - 60 days**	**60 - 90 days**	**90 -120 days**	**> 120 days**
2024	109 669	95 394	20 732	-901	-5 970	356	58
2023	94 445	70 021	19 179	3 200	1 407	-57	695

Expected loss rates are based on the historical credit losses of the Company, that occurred during the three-year period before the end of the period. Historical loss rates are then adjusted for current and future information on macroeconomic factors affecting the Company's customers.

The tables below present the credit risk analysis of the Company:

Trade receivables	**Current**	**0 - 60 days**	**60 - 90 days**	**90 -120 days**	**> 120 days**
Total trade receivables	95 394	19 831	-5 970	356	58
Expected credit loss	706	373	-	35	14
% of expected credit loss	0,74%	1,88	3,6%	10,0%	23,8%

Currency structure of short-term trade receivables and other receivables

	31.12.2024	31.12.2023
Receivables in the local currency	104 289	79 788
Receivables in the foreign currency	6 508	16 339
	110 797	**96 127**

	31.12.2024	31.12.2023
Receivables in EUR	32 766	16 199
Receivables in PLN	45	140
Receivables in CZK	77 986	79 788
	110 797	**96 127**

The Company's credit risk, connected with trade receivables is very limited due to the high number of the customers. The key customers are international chains.

6. Other receivables

	31.12.2024	31.12.2023
Paid advances for rent	1 076	1 107
Paid advances for services	-	311
Restricted cash	2 750	2 750
Other	15	10
	3 841	**4 178**

7. Related party transaction

The Company's transactions with related parties comprise mainly from sale and purchase of goods. The purchases and sales were made at market prices. Minor part of the transactions with related parties belong to services and license fee charges.

Receivables from related parties	**31.12.2024**	**31.12.2023**
GR. Sarantis SA, Greece	3	-
Sarantis Bulgaria Ltd.	130	-
Sarantis Hungary kft	4	-
Sarantis Belgrade d.o.o.	184	54
Astrid T.M., a.s.	153	-
Sarantis Romania SA	-	-
	474	**54**

All the reported receivables relate to delivered goods within the group except Astrid T.M., a.s. receivable, that represent recharge of external services.

Accrued revenues to related parties	**31.12.2024**	**31.12.2023**
GR. Sarantis SA Greece	-	-
Sarantis Slovakia, s.r.o.	11 625	8 454
	11 625	**8 454**

Accrued revenues to Sarantis Slovakia, s.r.o. represent annual recharge of operational expenses and stands that belong to Sarantis Slovakia, s.r.o.

Liabilities to related parties	**31.12.2024**	**31.12.2023**
GR. Sarantis SA, Greece	29 901	8 124
Sarantis Belgrade d.o.o.	-	108
Sarantis Polipak SA	4 308	2 610
Sarantis Polska SA	6 734	8 971
Sarantis Romania SA	21	-
Astrid T.M., a.s.	3 071	5 064
Sarantis Slovakia, s.r.o.	26 282	5 538
Sarantis Hungary kft	-	207
	70 317	**22 498**

All the reported liabilities relate to delivered goods within the group except Sarantis Slovakia, s.r.o. This balance represents advance paid for the future goods deliveries.

Accrued expenses - related parties	**31.12.2024**	**31.12.2023**
Astrid T.M., a.s.	530	978
	530	**978**

The accrued expense represents license fee for Astrid brand usage.

Income from sales and other revenue	**31.12.2024**	**31.12.2023**
GR. Sarantis SA Greece	3	-
Sarantis Belgrade d.o.o.	184	929
Sarantis Polska SA	215	271
Sarantis Hungary kft	265	-
Sarantis Bulgaria Ltd.	238	104
Sarantis Polipak SA	5	-
Sarantis Romania SA	3 362	1 787
Sarantis Slovakia, s.r.o.	174 828	160 083
	179 100	**163 174**

All the reported revenues relate to delivered goods within the group except Sarantis Slovakia, s.r.o. The revenue balance of Sarantis Slovakia, s.r.o. represents goods deliveries in amount of 163 203 TCZK and 11 625 TCZK represent accrued revenues for recharge of services and stands.

Purchases of goods and services	**31.12.2024**	**31.12.2023**
GR. Sarantis SA, Greece	276 447	208 885
Sarantis Belgrade d.o.o.	12	105
Sarantis Bulgaria Ltd.	-	14
Sarantis Polipak SP z.o.o.	67 530	39 122
Sarantis Polska SA	49 214	45 108
Sarantis Hungary kft	730	884
Sarantis Romania SA		870
Ergopack LLC, Ukraine	-	719
Astrid T.M., a.s.	5 115	4 794
Sarantis Skopje d.o.o.	54	-
	399 502	**300 501**

Most of the reported purchases relate to purchased goods within the group. Purchases from GR Sarantis SA include also license fees in amount of 991 TCZK.

8. Deferred costs and accruals

Deferred costs	**31.12.2024**	**31.12.2023**
IT services	45	71
HR services	54	-
Other	288	515
	387	**586**

Accrued revenues – assets	**31.12.2024**	**31.12.2023**
Services to subsidiaries	11 625	8 454
Other	-	0
	11 625	**8 454**

9. Cash and cash equivalents

	31.12.2024	**31.12.2023**
Cash in hand	-	-
Cash in banks	56 618	53 050
Vouchers	-	-
	56 618	**53 050**

	31.12.2024	31.12.2023
In local currency	54 004	49 003
In foreign currency	2 614	4 047
	56 618	**53 050**

	31.12.2024	31.12.2023
Cash in EUR	1 943	3 160
Cash in USD	381	424
Cash in PLN	290	463
	2 614	**4 047**

Right to dispose with the cash funds does not have any limitation.
Restricted cash on deposit account of 2 750 TCZK (2023 – 2 750 TCZK) is reported as Other receivable, please refer to point 6.

10. Share capital

Share capital of Sarantis Czech Republic, s.r.o., a.s. on 31 of December 2024 and also on 31 December 2023 is 39 320 TCZK and comprises of:

100% share owned by GR Sarantis S.A.

Share capital has been paid in whole amount.

11. Retained profits and limitations connected with capital

	31.12.2024	31.12.2023
Profits retained from the previous years	26 580	26 580
Other profit/loss from previous years	-777	-777
Net profit in current period	109 829	94 935
Total retained profits	**135 632**	**120 738**

According to the resolution of the General Meeting of Shareholders, the Net profit for the period 2023 was distributed as dividend in 2024.

12. Suggested distribution of profit for 2024

The Statutory representative proposes a net profit for 2024, in amount of 109 829 TCZK, allocate:

- in the amount of 109 829 TCZK – to distribute as dividend

13. Other reserves

	31.12.2024	31.12.2023
Legal reserve fund	3 932	3 932
	3 932	**3 932**

14. Deferred tax

	Assets		Liabilities		Net	
	2024	2023	2024	2023	2024	2023
Fixed assets		-	5 392	5 972	-5 392	- 5 972
Receivables	237	353	-	-	237	353
Inventories	159	161	-	-	159	161
Provisions & Other	375	229	-	-	375	229
Tax losses carried forward	-	-	-	-		-
Deferred tax asset/(liability)	**771**	**743**	**5 392**	**5 972**	**-4 621**	**-5 229**

In accordance with the accounting policy, a tax rate of 21% was used to calculate deferred tax as at 31 December 2024 and 31 December 2023.

15. Lease liabilities

As at December 31, 2024 and December 31, 2023, the Company reports only lease liabilities, divided into the long term part and short term part.

Short term	**31.12.2024**	**31.12.2023**
Lease liability – transportation means	2 775	2 518
Lease liability – building	3 123	2 058
Total short term liability	**5 898**	**4 576**

Long term	**31.12.2024**	**31.12.2023**
Lease liability – transportation means	2 799	2 520
Lease liability – building	14 319	-
Total long term liability	**17 118**	**2 520**

Future minimum lease payments remaining as at the balance sheet date might be analyzed as follows. The future lease payments are discounted by using the rate implicit in the contract.

	Lease payments payable in the period:			
As of 31.12.2024	**Up to 1 year**	**From 1 to 5 years**	**Over 5 years**	**Total**
Lease liability – transportation means	2 775	2 799	-	5 574
Lease liability – building	3 123	14 319	-	17 442
Current value	**5 898**	**17 118**	**-**	**23 016**

The tables below present the change from liabilities arising from financing activities:

	Lease liability	Total
Balance 1 January 2024	7 096	7 096
Liability payments	-3 937	-3 937
Interest expense/interest paid	-798	-798
New lease liability incl. interest	20 655	20 655
Balance 31 December 2024	23 016	23 016

16. Right-of-Use Assets

The value of property, plant and equipment includes right-of-use assets with the following carrying amount that relate to the following classes of underlying assets, and which were subject to the following depreciation charges in 2024:

The underlying asset class	**Carrying amount of the right of use**	**Depreciation of the right of use**
	31.12.2024	**from 01.01 to 31.12.2024**
ROU Buildings	15 421	2 865
ROU Transportation means	5 470	4 109
Total	**20 891**	**5 974**

17. Short-term trade and other payables

	31.12.2024	31.12.2023
Trade payables to related parties	44 015	25 083
Trade payables domestic	8 939	4 502
Trade payables foreign	39 534	43 085
Other liabilities	3 059	8
Total short-term liabilities	**92 499**	**72 678**

Trade payables are interest-free and usually settled within 14 - 90 days.

Currency structure of short-term liabilities

	31.12.2024	31.12.2023
Liabilities in local currency	8 423	8 363
Liabilities in foreign currency	84 076	64 315
	92 499	**72 678**

18. Tax liabilities

	31.12.2024	31.12.2023
Corporate income tax	9 986	5 365
Personal income tax – withheld from wages	453	371
VAT payable	2 105	-641
Other tax payable	-	-
	12 544	**5 095**

Payable related to corporate income tax was compensated against advances paid to corporate income tax and the company report net balance.

19. Other liabilities

	31.12.2024	31.12.2023
Payroll liabilities	5 229	4 821
Other liabilities - customers	3 952	3 730
Other liabilities - affiliates	26 304	5 538
	35 485	**14 089**

The payroll liabilities include provision for untaken holiday.
Other liabilities – customer represent negative balance on customer's subledgers that were reclassified to other liabilities. Negative balances consist of issued credit notes to already paid invoices.
Other liabilities - affiliates consist mainly of an advance payment for goods provided by Sarantis Slovakia s.r.o., refer to point 7.

20. Accruals and deferred income

	31.12.2024	31.12.2023
Deferred income	21 244	-
Accrued marketing expenses	16 520	20 390
Accrued operational expenses	5 696	6 087
Other accrued expenses	10	905
	43 470	**27 382**

The deferred income represents marketing support for brands not owned by the Sarantis group. The support was invoiced to brand owners but will be recognized as a revenue at the time when marketing costs are incurred.

21. Sales revenue

	31.12.2024	31.12.2023
Revenue from goods sales – domestic	1 043 655	910 678
Revenue from goods sales – foreign	189 323	164 752
Recharged services	13 271	22 637
	1 246 249	**1 098 067**

22. Other operating income

	31.12.2024	31.12.2023
Recharge of operational expenses to related parties	8 862	8 454
Sale of pallets to related parties	603	-
Inventory surplus	578	338
Revenues from released liabilities	7 388	5 535
Provisions (inventory and receivables)	567	1 165
Other reinvoicing and inventory revenues	719	114
	18 717	**15 606**

23. Raw materials and consumables used

	31.12.2024	31.12.2023
Cost of goods sold	706 296	609 208
Consumption of utilities	1 707	928
Samples and testers	3 441	3 430
Stands and pallets	13 398	9 570
Office consumption	1 336	384
Fuel consumption	1 856	2 034
Other material consumption	1 786	1 988
	729 820	**627 542**

24. Services

	31.12.2024	31.12.2023
Marketing and advertising costs	74 375	80 019
Trade expenses	178 530	162 734
Warehousing costs	17 248	16 286
Transportation	15 526	13 616
Contractors expenses	5 468	5 222
Hospitality	1 547	1 216
IT external services	2 565	2 252
Legal, audit and advisory services	560	346
License fee	5 114	4 794
Merchandising services	1 566	1 252
Travel expenses	1 158	1 321
Other external services	7 434	5 770
	311 091	**294 828**

25. Employee benefit expenses

	31.12.2024	31.12.2023
Gross salaries	45 048	37 742
Social and health insurance	14 301	12 889
Other employee benefits	1 896	1 318
	61 245	**51 949**

Average number of employees in 2024 was 48 (in 2023 number of employees was 47).

Other employee benefits include contributions to employees, that are allowed by local legislation. Key part of the other benefits is meal contribution. From 2023 includes also Long-Term Incentive Plan - Performance stock award program. The current program involves executive of the Company and covers 3-years period (2023-2025). The total expense during the vesting period is calculated based on the best estimate of the value of the shares expected to vest.

26. Other expenses

	31.12.2024	31.12.2023
Contractual fees and penalties	1 533	1 967
Insurance	358	284
Inventory write off	2 397	3 833
Permutation of inventory	345	291
Bad debts write off	675	-
Other operating expenses	657	615
	5 965	**6 990**

The contractual penalties include penalties charged by customers for non-delivered goods and penalties charged by suppliers.

27. Financial costs and revenues

Financial revenue	**31.12.2024**	**31.12.2023**
Interest revenue	539	1 179
FX gains on currency conversion	6 499	5 188
Other financial revenue	-	-
	7 038	**6 366**

Financial costs	**31.12.2024**	**31.12.2023**
Financial bonuses - customers	5 109	4 478
Bank commissions, charges	500	342
FX losses on currency conversion	7 980	8 961
Interest expense on lease liabilities	798	144
	14 387	**13 925**

28. Income tax

Major components of income tax for the years ended 31 December 2024 and 31 December 2023 are as follows:

	31.12.2024	**31.12.2023**
Current income tax	30 813	22 992
Change in deferred tax	-608	481
Difference in income tax from the previous years	124	-57
Income tax shown in the profit and loss account	**30 329**	**23 416**

The difference between the amount of income tax shown in the profit and loss account and the amount calculated on the basic of tax rate is resulting from the following items:

	31.12.2024	**31.12.2023**
Gross financial results	140 158	118 351
The amount of the tax according to the tax rate 21%	29 433	22 487
- correction of income tax from previous years	124	-57
- tax effects of utilization tax losses	-	-
- tax effects of costs and revenues not tax effective	772	986
Current income tax	**30 329**	**23 416**
Effective tax rate	**21,6%**	**19,8%**

29. Risk management

The overall objective of the Company's market risk management is to reduce the volatility of cash flows and potential economic losses caused by the events that may have a negative impact on the individual. Market risk management includes identification, measurement and definition of risk mitigation, including aspects related to currency exchange rates and interest rates.

Credit risk

Credit exposure is monitored currently according with the credit policy realized by the Company. As of 31 December 2024, the Statutory representative considers that there is no significant credit risk, because of the high number of customers. The key customers are stable multinational chains and important local wholesalers. Part of the trade receivables is also covered by a credit insurance.
The financial condition and creditworthiness of customers are continuously monitored by the Company, which assess the level of credit provided as well as the credit limits of accounts, in accordance with the applied credit policy. This is done to effectively manage receivables before they become overdue, as well as when they become past due or doubtful.
The Company applies simplified approach of IFRS 9 for calculation of expected credit losses for trade receivables across their total life. Expected loss rates are based on the historical credit losses of the Company that occurred during the three-year period before the end of the period. Historical loss rates are then adjusted for current and future information on macroeconomic factors affecting the Company's customers. The expected loss rates are not applied to related party receivables.
Write-offs of trade receivables are carried out through the already established provision. The write-offs relate to overdue receivables for which a provision had been made in previous years. The likelihood of collecting these receivables is low or zero, as all necessary legal procedures have been exhausted beforehand. The final write-off of a trade receivable aligns with the recognition requirements of local tax and commercial legislation.
For all financial assets the carrying amount represents the maximum exposure to credit loss.
Bad debt provision was booked to cover general risks related credit management.

The following table present the exposure of the Company to the credit risk of trade and other receivables at the book value before impairment:

	31.12.2024	**31.12.2023**
Trade receivables	110 797	96 127
Other receivables	1 091	1 428
Other non-current assets	1 890	573
Total	**111 888**	**98 128**

Exchange rate risk

Transactions of purchase goods in foreign currency are the main sources of exchange rate risk. Significant part of trade payables is in foreign currency specially in EUR. The sales are generally conducted in domestic functional currency – Czech crown.
Financial results might be impacted by significant EUR exchange rate fluctuations. The company did not conclude any hedge instruments in line with group policy.

Sensitivity of financial results to EUR, PLN and USD exchange rates fluctuations which are rationally possible is presented below:

Financial instrument in TCZK	Accounting value of financial instrument	Average exchange rate in 2024	Influence on financial results	Influence on equity	Influence on financial results	Influence on equity
			Increase by 10%	Increase by 10%	Decrease by 10%	Decrease by 10%
Assets denominated in currency:						
EUR	46 334	25,119	4 633	4 633	-4 633	-4 633
PLN	335	5,834	34	34	-34	-34
USD	381	23,208	38	38	-38	-38
Liabilities denominated in currency:						
EUR	106 314	25,119	-10 631	-10 631	10 631	10 631
PLN	1 173	5,834	-117	-117	117	117
USD	2 892	23,208	-289	-289	289	289
Total			**-6 333**	**-6 333**	**6 333**	**6 333**

Liquidity risk

The Company is exposed to liquidity risk arising from the relationship of current liabilities to current assets. The Company manages and regularly monitors its working capital in order to minimize any possible liquidity and cash flow risks. The management monthly receives analysis of aged receivables and aged payables including cash flow projection for next period.

Generally, operating activities of the Company are carried out under the assumption of maintaining a constant excess of liquidity.

In the opinion of the Statutory representative, because of a significant amount of cash on the balance sheet date, good standing of the Company's financial result and aged structure of trade receivables, the liquidity risk should be assessed as insignificant.

The Company did not provide/conclude any guarantee contracts.

Enclosed is an analysis of trade payables as at December 31, 2024 and December 31, 2023 in respect of the overdue payables. The balances are stated before compensation against relevant trade receivables.

			Trade payables due in the period				
Year	**Total**	**Not overdue**	**< 30 days**	**30 - 60 days**	**60 - 90 days**	**90 -120 days**	**> 120 days**
2024	92 499	78 944	6 969	3 280	726	80	2 500
2023	72 678	56 163	10 556	749	902	-	4 308

The Company takes care to manage working capital in a way that minimizes potential liquidity and cash flow risks. The contractual maturities of the Company's financial liabilities (discounted) as of December 31, 2024, and 2023, are summarized in the table below:

Maturity of liabilities 2024	Total	within 6 months	6 to 12 months	1 to 5 years
Lease liabilities short term	5 898	3 362	2 536	-
Trade and other payables	92 499	92 499	-	-
Lease liabilities long term	17 118	-	-	17 118
Other liabilities	35 485	35 485	-	-
Total	**151 000**	**131 346**	**2 536**	**17 118**

Maturity of liabilities 2023	Total	within 6 months	6 to 12 months	1 to 5 years
Lease liabilities short term	4 576	2 681	1 895	-
Trade and other payables	72 678	72 678	-	-
Lease liabilities long term	2 520	-	-	2 520
Other liabilities	14 089	14 089	-	-
Total	**93 863**	**89 448**	**1 895**	**2 520**

Price risk

Price of purchased goods is a component which has a major impact on the total profitability of Company. The price of the goods depends on global prices of production materials and also transportation prices.
Selling prices realized mainly on the domestic retail market are quite stable, which is driven by stable competition on the domestic market.
The Company regularly monitors the profitability of individual products and based on these data takes action related to the optimization of the purchase price or the sale of products.

30. Bank guarantees

Československá Obchodní banka, a.s. provided to the Company bank guarantees in value of 492 TUSD as of December 31, 2024 (0 TUSD as of 31.12.2023). The bank guarantees relate to deliveries from China, that are secured by Letter of Credits.

31. Capital management

The Company monitors capital which comprises all components of equity, i.e. share capital, other reserves and retained earnings. The main purpose of Company capital management is retaining a good credit rating and safe capital indexes, which will support operational activity of the Company and increase value for its shareholders.
For the purpose of retaining or correcting of capital structure, the company can regulate the dividend payment for shareholders or return the capital to shareholders.

32. Contingent assets and liabilities

As at December 31, 2024 and December 31, 2023, the Company does not have any contingent assets or liabilities.

33. Structure of employment

	31.12.2024	31.12.2023
Management	6	6
Sales and marketing	26	25
Administration	16	16
	48	**47**

34. Key management personnel compensation

Members of management were not provided with any compensation beyond the scope of the employment contracts. There were also no payments in form of company's shares and no specific benefits.

35. Events after date of balance sheet day

Based on a decision of the general meeting, the Company distributed 2024 profit of 109 829 TCZK as dividend on 29 April 2025. Company's management is not aware of any other events that have occurred since the balance sheet date that would have any material impact on the financial statements as at 31 December 2024.

The company's management has also assessed the current international situation, in particular the ongoing war in Ukraine, sanctions imposed on Russia, the significant increase in commodity prices, etc. and concluded that the Financial statements as at 31 December 2024 do not require additional adjustments to the valuation of fixed assets, inventories, receivables and provisions.

Date: 27 June 2025

Sarantis Czech Republic, s. r. o. ID: 25705971, seat Smrčkova 2485/4, Libeň 180 00 Praha 8

REPORT ON RELATION BETWEEN THE CONTROLLING ENTITY AND THE CONTROLLED ENTITY AND BETWEEN CONTROLLED ENTITY AND THE ENTITIES CONTROLLED BY THE SAME CONTROLLING ENTITY

for the period 2024

Statutory representative of the company Sarantis Czech Republic, s.r.o., prepared this report in according with Section 82 of the Commercial Corporations Act.

1. Definition of the controlling entity, controlled entity and the entities controlled by the same controlling entity

1.1. Definition of the controlling entity and the controlled entity

The controlled entity whose statutory authority prepared this report, is company Sarantis Czech Republic, s.r.o., ID: 25705971 seat Smrčkova 2485/4, Libeň 180 00 Praha 8.

Hereinafter Sarantis

The controlling entity to the company Sarantis for the accounting period 2024 is the sole shareholder GR SARANTIS SA, 26 Amaroussiou – Halandriou STR, GR 151 25, Amaroussion - Greece.

Hereinafter GR Sarantis SA

The share of the controlling entity in the share capital of the controlled entity is 100%.

1.2. Definition the entities controlled by the same controlling entity

The statutory representative of a company acting with due diligence are aware of other persons who were controlled by one controlling entity in the accounting period 2024, i.e. GR SARANTIS SA:

- 100%, SARANTIS BELGRADE D.O.O.
- 100%, SARANTIS BULGARIA LTD.
- 100%, SARANTIS ROMANIA S.A.
- 100%, SARANTIS BANJA LUKA D.O.O.
- 100%, SARANTIS SKOPJE D.O.O.
- 100%, SARANTIS POLSKA S.A.
- 100%, SARANTIS HUNGARY kft.
- 100%, SARANTIS CZECH REPUBLIC, s.r.o.

- 100%, SARANTIS SLOVAKIA, s.r.o.
- 100%, ASTRID T.M., a.s.
- 100%, SARANTIS PORTUGAL Lda
- 100%, ZETAFIN LTD
- 100%, POLIPAK sp. z.o.o.
- 100%, ELODE FRANCE S.A.R.L.
- 100%, SARANTIS FRANCE S.A.R.L.
- 100%, IVYBRIDGE VENTURES LTD
- 100%, ERGOPACK LLC
- 100% SARANTIS LJUBLJANA D.O.O.
- 100% STELLA PACK S.A.
- 100% STELLA PACK S.R.L.
- 79% STELLA PACK UKRAINE LLC

2. The role of the controlled entity in relation to the controlling entity

The controlling entity is part of the group, which further consists of the Controlling entity and the entities listed in part 1.2 of this report.

The controlled entity is so-called regional company of the group.

3. Method and means of control

The controlling influence is applied mainly through appointment and dismissal of the statutory bodies of the controlled entity and making of decision by the controlling entity within the competence of the sole shareholder of the controlled entity in the sense of the provisions of Section 12 of Act No. 90/2012 Coll., on Business Corporations.

4. Overview of contracts concluded in the last accounting period between the controlled entity and the controlling entity and between the controlled entity and other entities controlled by the same controlling entity

4.1. Overview of contracts concluded between the controlled entity and the controlling entity

In the accounting period 2024, the company Sarantis has not concluded any contracts with the controlling entity.

4.2. Overview of acts performed in the accounting period 2024, which were initiated or in the interest of the controlling entity or its controlled entities, if such conduct concerned assets that exceed 10% of the controlled entity´s equity determined according to the last financial statements

In the accounting period of 2024, Sarantis purchased from GR Sarantis SA goods in the total value of 275 447 TCZK and license fees and other services in the amount of 980 TCZK. Sarantis also paid dividend to GR Sarantis SA in amount of 94 935 TCZK, that represents profit of 2023 approved by Shareholder resolution.

In the accounting period of 2024, Sarantis purchased goods and services from Sarantis Polska S.A. in the total amount of 49 214 TCZK.

In the accounting period of 2024, Sarantis purchased goods and services from Polipak sp.z.o.o. in the total amount of 67 530 TCZK.

In the accounting period of 2024, Sarantis sold goods and services to Sarantis Slovakia s.r.o. in the total amount of 174 828 TCZK.

5. Overview of mutual agreements concluded between the controlled entity and the controlling entity or between the controlled entity and other controlled entities

In the accounting period 2024, the company Sarantis has not concluded any contracts with the controlling entity.

6. Assessment of whether the controlled entity has suffered damage and assessment of its compensation

Sarantis did not suffer any loss from the contracts, other legal acts or measures mentioned in this report.

7. Evaluation of advantages and disadvantages

All relations between the controlling entity and controlled entity took place and were concluded under normal business conditions.

The statutory body of the company states that from the relations with persons in Part I of this report significantly prevail the benefits for the company resulting from participation in a multinational business group.

The statutory body of the company states that they are not aware of any significant risks arising from relations with the persons listed in Part I of this report.

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8. **Indication of other legal acts that were performed in the interest of the controlling entity od in the interest of other entities controlled by the same controlling entity**

   In the accounting period 2024, no other acts were performed in the interest of the controlling entity or in the interest of other entities controlled by the same controlling entity.

9. **Indication of all other measures taken or implemented by the controlled entity in the interest of or at the initiative of the controlling entity and in the interest of or at the instigation of other entities controlled by the same controlling entity, their advantage and disadvantage**

   Sarantis has not taken or implemented any other measures in the interest of or at the instigation of or at the instigation of other entities controlled by the same controlling entity.

Conclusion

The Company´s management declared that it has prepared this Report with due diligence and that it has included in this report all known relationships between the controlled entities and the controlling entity and the controlled entity controlled by the same controlling entity and that it had the necessary information to prepare this Relationship Report.

In Prague, 31. 3. 2025

Krzysztof Jan Kaminski
Statutory representative