



**Financial Statements of Sarantis Polska S.A.  
for the period from 01 January 2024 to 31 December 2024**

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## STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED 31 December 2024

	Note	31 December 2024	31 December 2023
<b>ASSETS</b>			
<b>Assets</b>			
Tangible fixed assets	1	30 574 936	25 126 154
Intangible assets	2	8 518 921	9 032 461
Right of perpetual usufruct of land	1	-	4 032 000
Shares in affiliated companies	3	482 965 987	238 045 899
Loans granted to related parties	9	22 000 000	-
Deferred tax assets	4	1 238 702	850 442
<b>Total non-current assets</b>		<b>545 298 546</b>	<b>277 086 956</b>
<b>Current assets</b>			
Inventories	5	69 141 536	76 688 910
Trade receivables	6	60 396 947	66 190 514
Other receivables	6	7 330 534	3 065 053
Transitional accounts	8	853 993	478 172
Cash and cash equivalents	10	12 325 258	265 033 957
<b>Total current assets</b>		<b>150 048 268</b>	<b>411 456 606</b>
<b>TOTAL ASSETS</b>		<b>695 346 814</b>	<b>688 543 562</b>
<b>LIABILITIES</b>			
<b>Equity</b>			
Share capital	11	411 800 000	306 800 000
Share premium	11	1 055 603	1 055 603
Revaluation reserve	11	1 851 607	3 664 621
Due contributions to share capital	11	-	105 000 000
Retained earnings	12	171 840 866	179 874 409
<b>Total equity</b>		<b>586 548 076</b>	<b>596 394 633</b>
<b>Long-term liabilities</b>			
Long-term loans and bank credits	15	17 092 000	17 392 000
Provisions for employee benefits	14	477 063	321 962
Lease liabilities	16	4 233 216	3 707 354
<b>Total long-term liabilities</b>		<b>21 802 279</b>	<b>21 421 316</b>
<b>Current liabilities</b>			
Trade and other liabilities	18	74 890 229	58 234 458
Lease liabilities	16	4 138 086	3 404 402
Income tax liabilities	19	5 974 455	7 585 558
Liabilities for other employee benefits	18	1 877 428	1 463 856
Bank loan liabilities		-	639
Transitional accounts		116 261	38 700
<b>Total current liabilities</b>		<b>86 996 459</b>	<b>70 727 613</b>
<b>TOTAL LIABILITIES</b>		<b>695 346 814</b>	<b>688 543 562</b>

## STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 December 2024

	Note	31 December 2024	31 December 2023
<b>Continuing operations</b>			
<b>Sales revenue</b>	21	<b>429 990 748</b>	<b>429 691 696</b>
<b>Other operating income</b>	22	<b>7 796 672</b>	<b>657 948</b>
Change of the inventory product balance		1 385 165	(2 152 557)
Cost of work performed by the entity for its own needs		2 627 130	5 114 953
Depreciation		(5 961 321)	(5 724 785)
Consumption of materials and energy		(91 375 970)	(100 037 382)
External services		(35 802 762)	(33 848 521)
Taxes and fees		(736 680)	(702 341)
Salaries		(27 886 594)	(23 306 425)
Social insurance and other benefits		(5 787 328)	(5 133 983)
Other cost by nature		(3 882 321)	(3 367 954)
Cost of trade goods and materials sold		(212 318 152)	(216 617 005)
Other costs	23	(13 780 322)	(6 961 025)
<b>Total operating expenses</b>		<b>(393 519 155)</b>	<b>(392 737 025)</b>
<b>Operating profit</b>		<b>44 268 265</b>	<b>37 612 619</b>
Financial revenues	24	4 135 462	20 268 394
Financial expenses	24	(2 279 605)	(1 869 386)
including interest on leases		(351 270)	(240 289)
<b>Net financial revenues and expenses</b>		<b>1 855 857</b>	<b>18 399 008</b>
<b>Profit before tax</b>		<b>46 124 122</b>	<b>56 011 627</b>
Income tax	25	(9 307 994)	(11 223 359)
<b>Net profit</b>		<b>36 816 128</b>	<b>44 788 268</b>
<i>Items not transferred to profit or loss</i>		-	-
<b>Total comprehensive income</b>		<b>36 816 128</b>	<b>44 788 268</b>

## STATEMENT OF CASH FLOWS

	Note	01.01.2024- 31.12.2024	01.01.2023- 31.12.2023
<b>Operating activities</b>			
Gross profit from continuing operations		46 124 122	56 011 627
<b>Adjustments by positions:</b>		<b>(116 004 303)</b>	<b>(18 304 606)</b>
<b>Non-monetary</b>			
Depreciation and write-offs of property, plant and equipment		6 155 791	5 724 785
Profit/loss on account of foreign exchange differences		(985 561)	(3 681 336)
Gain/loss on disposal of fixed assets		(16 089)	(6 346)
Interest income		(2 922 776)	(3 823 092)
Interest expense		1 839 793	1 596 677
Assets acquired in connection with the merger with Stella Pack Europe	20	(135 302 956)	-
<b>Changes in working capital positions</b>			
(Increase) / decrease in inventory		7 547 374	15 729 788
(Increase) / decrease in trade receivables balance		5 793 567	3 548 226
(Increase) / decrease of the balance of other receivables		(4 265 481)	(3 065 053)
Increase/(decrease) of the balance of liabilities	30	17 026 948	(35 065 655)
Change in accruals		(298 260)	1 296 309
Change in provisions for employee benefits		155 101	94 342
Income tax paid		(10 882 082)	(728 109)
Other adjustments (stock options)		150 328	74 858
<b>Net cash from operating activities</b>		<b>(69 880 181)</b>	<b>37 707 021</b>
<b>Investment activity</b>			
Proceeds from the sale of non-current assets	30	37 797	111 286
Payments for tangible and intangible fixed assets	30	(3 955 287)	(1 464 348)
Loans granted to related parties		(22 000 000)	-
Purchase/acquisition of shares in subsidiaries		(109 617 132)	(130 220 000)
Bank deposits		260 350 000	(222 985 000)
Interest received		2 922 776	4 402 093
<b>Net cash from investing activities</b>		<b>127 738 154</b>	<b>(350 155 969)</b>
<b>Financial activities</b>			
Proceeds from loans and credits		21 989 000	21 258 183
Proceeds from capital increase payments		-	315 399 150
Dividend payment		(45 000 000)	-
Repayment of loans and borrowings		(22 289 639)	(21 257 550)
Interest paid		(1 839 793)	(1 596 677)
Other financial income		989 741	3 689 646
Payments of lease liability		(4 061 801)	(2 984 152)
Other financial costs		-	(1 238 638)
<b>Net cash from financing activities</b>		<b>(50 212 492)</b>	<b>313 269 962</b>
<b>Net increase/decrease in cash and cash equivalents</b>		<b>7 645 481</b>	<b>821 014</b>
Effect of exchange rate changes		(4 180)	(8 309)
Balance sheet change in the cash value	30	7 641 300	812 705
Cash and cash equivalents as of 1 January 2024		4 683 957	3 871 252
Cash and cash equivalents as of 31 December 2024		12 325 258	4 683 957

## STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Share capital contribution	Revaluation reserve	Retained earnings	Total equity
<b>Equity as at 1 January 2023</b>	<b>56 800 000</b>	<b>1 055 603</b>	<b>39 600 850</b>	<b>3 664 621</b>	<b>136 249 922</b>	<b>237 370 995</b>
Net profit in the period	-	-	-	-	44 788 268	44 788 268
Revaluation reserve	-	-	-	-	-	-
Capital increase costs	-	-	-	-	(1 238 638)	(1 238 638)
Share capital increase	250 000 000	-	65 399 150	-	-	315 399 150
Stock options	-	-	-	-	74 858	74 858
<b>Equity as at 31 December 2023</b>	<b>306 800 000</b>	<b>1 055 603</b>	<b>105 000 000</b>	<b>3 664 621</b>	<b>179 874 409</b>	<b>596 394 633</b>
	Share capital	Share premium	Share capital contribution	Revaluation reserve	Retained earnings	Total equity
<b>Equity as at 1 January 2024</b>	<b>306 800 000</b>	<b>1 055 603</b>	<b>105 000 000</b>	<b>3 664 621</b>	<b>179 874 409</b>	<b>596 394 633</b>
Profit in the period	-	-	-	-	36 816 128	36 816 128
Share capital increase	105 000 000	-	(105 000 000)	-	-	-
Stock options	-	-	-	-	150 329	150 329
Adjustment to the value of property	-	-	-	(1 813 014)	-	(1 813 014)
Dividend paid to shareholders	-	-	-	-	(45 000 000)	(45 000 000)
<b>Equity as at 31 December 2024</b>	<b>411 800 000</b>	<b>1 055 603</b>	<b>-</b>	<b>1 851 607</b>	<b>171 840 866</b>	<b>586 548 076</b>

## **ADDITIONAL INFORMATION AND EXPLANATIONS**

### **General information**

#### **1. Name, registered office, core business of the Company**

The core business of Sarantis Polska Spółka Akcyjna, hereinafter referred to as the "Company", is mainly trading in the field of household goods and body care cosmetics.

Sarantis Polska S.A., having its registered office in Piaseczno, at the address: 05-500 Piaseczno, Puławska 42c, has been registered and has been operating on the market continuously since 1991. The company originally operated under the name of Servicing and Distribution Pack Plast International sp. z o.o.

On 12 November 2001. Servicing and Distribution Pack Plast International sp. z o.o., by virtue of a decision issued by the District Court for the m.st of Warsaw, was entered into the National Court Register under the KRS number 0000050586, and then on 24 April 2003 it was transformed into a joint-stock company, receiving in the Register of Entrepreneurs of the National Court Register No. 0000158603.

October 24, 2004, Servicing and Distribution Pack Plast International S.A., by the decision of the District Court for the m.st of Warsaw, changed the name of the company to Sarantis Polska S.A.

The company has a statistical registration number REGON 010504922 and a tax identification number 5210418872.

Address of the Company's registered office:

ul. Puławska 42 c  
05-500 Piaseczno

Central storage address:

Moszna Parcel  
05-840 Brwinów

#### **2. Composition of the Management Board of the Company**

In 2024 and in 2025 inclusive, until February 5, the Company's Management Board consisted of the following persons:

Kyriakos Sarantis – Chairman of the Board

Ioannis Bouras – Vice President of the Management Board

Christos Varsos – Vice President of the Management Board

As of February 6, 2025, the Management Board of the Company consists of the following persons:

Ioannis Bouras – President of the Management Board

Christos Varsos – Vice President of the Management Board

Marek Modzelewski – Vice-President of the Management Board

The following persons are entitled to represent the Company:

1) the President of the Management Board acting independently or

- 2) two Vice-Presidents of the Management Board acting jointly or
- 3) Member of the Management Board acting jointly with the Vice-President of the Management Board

### **3. Composition of the Supervisory Board**

As at December 31st 2024, the composition of the Supervisory Board was as follows:

Evangelos Siarlis

Grigorios Sarantis s. Kyriakosa Sarantisa

Grigorios Sarantis s. Pantazisa Sarantisa

### **4. Entity authorized to audit of Financial Statement**

KPMG Audyt Spółka z ograniczoną odpowiedzialnością Sp. k.

Inflancka 4A, 00-189 Warsaw

### **5. Name of the parent company:**

GR Sarantis SA, Greece

### **6. Presentation Rules**

Information on the principles adopted in the preparation of the financial statements for 2024:

The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS"), which have been approved by the European Union and cover the period from 1 January to 31 December 2024 and the comparative period from 1 January to 31 December 2023.

These financial statements meet all the requirements of IFRS adopted by the EU and present fairly and clearly the Company's financial position as at December 31, 2024 and December 31, 2023, its results of operations and cash flows for the year ended December 31, 2024 and December 31, 2023.

### **7. Statement of the Management Board**

- 1) The Management Board of Sarantis Polska S.A. declares that, to the best of its knowledge, the annual financial statements and comparative data have been prepared in accordance with the International Financial Reporting Standards, which have been approved by the European Union. The reports reflect in a true, fair and clear manner the Company's financial position and its financial result, and the annual Report of the Management Board contains a true picture of the Company's development, achievements and position, including a description of the main risks and threats.
- 2) The entity authorized to audit financial statements, which audits the annual financial statements, has been selected in accordance with the law. This entity and the statutory auditor performing the audit met the conditions for issuing an impartial and independent audit report and opinion, in accordance with the relevant provisions of national law.



## **Basis for the preparation of the financial statements**

### **Basis for preparing separate financial statements**

The financial statements of Sarantis Polska S.A. have been prepared in accordance with the International Financial Reporting Standards that have been approved by the European Union.

The financial statements have been prepared on the assumption that the Company's business activity will continue in the foreseeable future. As at the date of these financial statements, there are no circumstances indicating a threat to the Company's going concern.

### **Consolidated financial statements**

The consolidation of the financial statements, including the subsidiary of Sarantis Polska S.A., is carried out by the ultimate parent company GR Sarantis SA with its registered office in Athens, Greece.

### **Functional currency and presentation currency of financial statements**

The financial statements are presented in Polish zlotys after rounding to whole amounts. The Polish zloty is the functional and reporting currency of the Company.

### **Significant judgments and estimations by Management**

Preparation of financial statements in accordance with IFRS requires the Management Board to make judgments, estimates and assumptions that have a material impact on the adopted policies and the presented values of assets, liabilities, revenues and expenses. Estimates and related assumptions are based on historical experience and other factors that are considered reasonable under the circumstances, and their results provide a basis for a judgment as to the carrying amount of assets and liabilities that does not arise directly from other sources. The actual value may differ from the estimated value.

Estimates and related assumptions are subject to ongoing verification. A change in accounting estimates is recognized in the period in which the change in the estimate was made or in current and future periods, if the change in the estimate applies to both the current period and future periods.

Significant accounting estimates and forward-looking assumptions and other major sources of uncertainty as at the date of the financial statements that involve a material risk of material adjustments to the carrying amounts of assets and liabilities in the next financial year are as follows:

#### Assessment of impairment of investments in subsidiaries

In each reporting period, the Company analyses whether there are indications of impairment of investments in subsidiaries. If such indications are found, the Company conducts an impairment test in accordance with the adopted accounting policy. The key estimates of the Management Board in determining the recoverable amount relate to future cash flows, which depend on many factors, including sales forecasts, costs and the adopted discount rate.

#### Asset Life Estimation

The Company estimates the useful life of tangible and intangible fixed assets. These estimates are reviewed at least once a year, taking into account new circumstances and market conditions.

#### Fixed assets measured at fair value

Land and buildings are presented in the financial statements in accordance with the fair value revaluation model, determined by independent, licensed property valuers, in accordance with IAS 16 Property, plant and equipment. The frequency of measurement depends on changes in fair value compared to carrying amount.

In the event of a material difference, the valuation is revaluated so that the carrying amount does not differ significantly from the fair value as at the balance sheet date.

As at 31.12.2024, the fair value of the property was verified, detailed information is included in note 1.

#### Right-of-use assets

The Company's key estimates of right-of-use assets relate to the assessment of the existence of a lease agreement in a given transaction, the terms of the lease renewal and the determination of the discount rate.

#### Deferred tax assets

Deferred tax assets and liabilities are recognised in the case of temporary differences between the book and tax value of assets and liabilities, using the applicable tax rates. Deferred tax assets are recognised if there is a probability of tax revenue that will enable them to be used. When assessing the recoverability of deferred tax assets, the Company takes into account future tax revenues. Accounting judgments require assumptions about future events, such as the probability of generating income and the possibility of tax deduction of losses.

Detailed information is provided in Note 4.

#### Inventories

Inventories are valued at the lower of the two values: acquisition cost or net realizable value. The latter is defined as the estimated selling price in the ordinary course of business less estimated costs of sale. The Management Board estimates possible impairment losses on inventories, taking into account, m.in others, overdue dates, turnover, sales forecasts and future prices.

For information on impairment losses on inventories for 2024, see Note 5.

#### Provisions for expected credit losses on customer receivables

The Company uses the simplified IFRS 9 method to measure expected credit losses, which consists in measuring these losses over the entire life of the receivables. As at the balance sheet date, historical data and estimates of future financial position are updated. Determining the level of losses involves significant judgments, including an assessment of the financial situation of customers. In the case of specific indications, the estimates are made individually. Past experience and projections may not reflect the true scale of future customer insolvencies. Further information is provided in Note 6.

#### Post-employment benefit liabilities

An entity recognizes provisions for future pension liabilities due to employees in accordance with the applicable labour law and company remuneration regulations. This provision mainly includes one-off retirement severance payments, to which employees acquire the right at the time of retirement.

The amount of the provision is determined using the actuarial method using the Projected Unit Credit Method. The following assumptions are taken into account when calculating the provision:

- discount rate – based on the market yield on Treasury bonds with a maturity close to the maturity date,
- expected employee turnover,
- expected retirement age,
- life expectancy,
- projected increase in salaries.

The value of the provision as at the balance sheet date reflects the best estimated value of the entity's future pension liabilities.

Detailed information can be found in note 14.

#### Provisions for returns of goods

As at the balance sheet date, the Company estimates potential returns of goods that may be made by customers under the applicable sales rules.

The estimation of the value of the provision for returns is based on:

- analysis of historical data on returns,
- current trading conditions,
- seasonality of sales,
- specifics of individual product groups,
- other available market and internal data.

The value of the provision is recognized as an adjustment of sales revenues and at the same time as a decrease in trade receivables.

At the same time, the Company adjusts the inventory by the expected value of the returned goods, which are to remain suitable for further resale. This affects the presented value of inventories in the balance sheet.

An entity shall review the assumptions made in each reporting period and adjust the provision accordingly if there are changes in the expected levels of returns.

Detailed information on the created provisions for refunds can be found in notes 5, 6 and 21.

## **Important information on the accounting policies applied**

### **Tangible fixed assets**

Land and buildings are presented in the financial statements at revalued values, less accumulated depreciation write-offs and accumulated impairment losses.

Revaluation is the process of revaluation of the book value of real estate, aimed at ensuring that the value presented in the financial statements reflects the present fair value as at the balance sheet date. Therefore, the Company makes revaluations with sufficient regularity to ensure that the value disclosed in the accounting books does not differ significantly from the fair value measured as at the balance sheet date.

Revaluation is made on the basis of valuations carried out by independent property valuers with appropriate professional qualifications and experience in the valuation of real estate of a similar type and location.

The surplus from the revaluation of real estate is included in other comprehensive income and is disclosed in the total amount in equity. An increase in fair value is recognized as revenue to the extent that it reverses a decrease in revaluation that was previously recognized as an expense for the period.

A decrease in fair value is recognized as an expense for a given period. However, the revaluation reduction is recognized in other comprehensive income up to the amount of the revaluation surplus previously accumulated in equity. The surplus arising from the change in the fair value of an asset, accumulated in equity, is transferred to the undistributed result from previous years at the time of removal of the asset from the statement of financial position.

Property, plant and equipment other than real estate are measured at a cost including the purchase price and costs directly related to the introduction of the asset into use.

Property, plant and equipment are subject to amortisation using the straight-line method and impairment losses.

The costs of ongoing maintenance of assets and their maintenance affect the financial result of the period in which they were incurred.

Property, plant and equipment are depreciated when they are available for use, i.e. they have been adapted to the place and conditions needed for their operation to commence their operation. Depreciation begins in the month following the acceptance of the asset and is carried out in accordance with management's intentions over a period corresponding to the estimated useful life of the asset. The correctness of the useful lives, depreciation methods and residual values of property, plant and equipment is verified as at each balance sheet date and, where justified, adjusted.

The following economic useful lives of property, plant and equipment are used:

Buildings and structures 10 - 60 years old

Technical equipment and machinery 8 - 10 years

Means of transport and other 3-20 years

The carrying amount of property, plant and equipment is assessed at the end of each reporting period in order to determine whether there are indications of impairment. If such conditions occur, the Company estimates the recoverable amount of individual assets. An impairment loss is recognised if the carrying amount of an asset exceeds the estimated recoverable amount.

The recoverable amount of the assets is the higher of the net selling price or value in use. Impairment allowances are recognised in the statement of comprehensive income under operating expenses.

Gains and losses resulting from the removal of property, plant and equipment from the balance sheet are determined as the difference between net disposal revenues and carrying amount and recognized as income or expense in the statement of comprehensive income.

### **Investment properties**

An investment property is held in possession due to rental income or an increase in its value and is measured on a fair value model.

Gains or losses arising from changes in the fair value of investment properties are recognised in profit or loss in the period in which the changes occurred under other operating income or expenses.

An investment property is removed from the statement of financial position at the time of its sale or permanent decommissioning if no economic benefits are expected to be obtained in the future. Gains or losses resulting from these transactions are defined as the difference between the sales revenues and the net value of these fixed assets. These gains and losses are recognised in profit or loss in other operating income or expenses in the period in which the investment property was liquidated or sold at the time when the buyer took control of the disposed property, plant and equipment.

## **Leasing**

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

- whether the contract relates to an identified asset that is either explicitly stated in the contract or implicitly at the time 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 throughout the entire useful life to the extent specified in the agreement,
- whether the Company has the right to direct the use of the identified asset throughout its useful life.

At the commencement date, the Company recognizes the right-of-use asset and the lease liability. The right of use is originally measured at the acquisition price consisting of the initial value of the lease liability, initial direct costs, an estimate of the costs anticipated to dismantle the underlying asset, and lease payments paid on or before the commencement date, less lease incentives.

The Company amortizes the rights of use on a straight-line basis from the start date to the end of the useful life of the right of use or to the end of the lease period, whichever is earlier. If there are indications to do so, the rights of use shall be tested for impairment in accordance with IAS 36.

As at the date of commencement of use of the leased asset, the Company measures the lease liability at the present value of the lease payments outstanding using the lease interest rate, if it can be easily determined. Otherwise, the lessee's marginal interest rate is applied.

The lease payments included in the value of the lease liability consist of fixed lease payments, index- or rate-dependent variable lease payments, amounts expected to be paid as guaranteed residual value, and payments on call options if their exercise is reasonably certain.

In subsequent periods, the lease liability is reduced by the repayments made and increased by the accrued interest. The valuation of the lease liability is updated to reflect changes to the contract and to reassess the lease term, call option exercise, guaranteed residual value, or index- or rate-dependent lease payments. As a rule, the revaluation of the liability is recognised as an adjustment of the right-of-use asset.

The Company applies the practical solutions permitted by the standard for short-term leases and leases in which the underlying asset is of low value. With respect to such agreements, lease payments are recognised on a straight-line basis during the lease term. For lease agreements concluded for an indefinite period of time, the Company calculates the value of the right to use the right of use based on the expected period in which it intends to use this right. The Company presents rights of use in the same items of the statement of financial position as the underlying assets, i.e. in property, plant and equipment.

## **Intangible assets**

Intangible assets are recognisable if they are likely to generate an influx of economic benefits in the future that may be directly linked to these assets. Intangible assets are initially recognised at cost or cost. Intangible assets are measured at acquisition or production cost less straight-line depreciation and impairment losses. Intangible assets with a defined useful life are depreciated when they are ready for use, i.e. when the asset is in a place and condition that allows it to be used in the manner intended by management during a period corresponding to the estimated useful life. The correctness of the applied periods and depreciation rates are periodically verified, at least at the end of the financial year, and any correction of depreciation write-offs is made in subsequent periods.

Intangible assets with an indefinite useful life are not subject to depreciation. Their value is reduced by any impairment losses.

The assumed typical economic useful lives used for intangible assets are:

Acquired concessions, licenses, trademarks and similar values 3-50 years

Acquired Computer Software 3-50 Years Old

The carrying amount of intangible assets is assessed at the end of each reporting period in order to determine whether there are indications of impairment. If such conditions occur, the Company estimates the recoverable amount of individual intangible assets. An impairment loss is recognised if the carrying amount of the intangible assets exceeds their estimated recoverable amount. The recoverable amount of the intangible assets is the higher of the net selling price or the value in use.

### **Valuation of shares in subsidiaries**

Shares in subsidiaries are disclosed in the financial statements at cost of acquisition, less any impairment losses if their carrying amount exceeds their recoverable amount. The Company reviews the value of its shares if there are indications of impairment.

### **Business combination under common control**

Transactions in combinations of entities under common control are excluded from the scope of IFRS. In this situation, in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Correction of Errors, in the absence of detailed regulations within IFRSs, the Company adopted an accounting policy applicable within the Group to which the Company belongs, consisting in recognizing such transactions at carrying amounts.

According to the adopted accounting principles, the acquirer recognizes the assets, liabilities and equity of the acquiree at their present book value, adjusted only for the purpose of harmonizing the accounting policies of the acquiree. Goodwill and negative goodwill are not recognized.

The difference between the book value of the acquired net assets and the fair value of the consideration amount is recognized in the Company's equity or other items of assets or liabilities. When using the method based on book values, comparative data is not transformed.

## Financial instruments

### Financial instruments other than derivatives

Receivables and deposits are recognized on the date of origin. All other financial assets (including assets measured at fair value through profit or loss) are recognized on the transaction date, which is the date on which the Company becomes a party to a mutual obligation relating to a given financial instrument.

A Company ceases to recognize a financial asset when the contractual rights to receive cash flows from that asset expire or when the rights to receive cash flows from the financial asset are transferred in a transaction that transfers substantially all of the significant risks and rewards arising from their ownership. Any interest in a transferred financial asset that is created or held by the Company is treated as an asset or liability.

Financial assets and liabilities are offset and disclosed in the statement of financial position in the net amount only if the Company has a legally valid title to set off certain financial assets and liabilities or intends to settle a given transaction at the net value of the offsetting financial assets and liabilities or intends to realize the offsetting financial assets and settle financial liabilities at the same time.

The Company classifies financial instruments other than derivative financial assets into the following categories: financial assets measured at fair value through profit or loss, financial assets held to maturity, loans and receivables, and financial assets available for sale.

### Financial assets measured at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or have been designated as measured at fair value through profit or loss at initial recognition. Financial assets are classified as measured at fair value through profit or loss if the Company actively manages such investments and makes purchase and sale decisions based on their fair value. Transaction costs associated with an investment are recognised in the profit or loss of the current period at the time of incurring. Financial assets measured at fair value through profit or loss are measured at fair value, the changes in which are recognized in profit or loss in the current period. Any gains or losses relating to these investments are recognized in the profit or loss of the current period. Financial assets measured at fair value through profit or loss include equity securities that would otherwise be classified as held for sale.

### Financial assets held to maturity

If the Company has the intention and ability to hold debt securities until maturity, they are classified as financial assets held to maturity. Financial assets held to maturity are initially recognized at fair value plus directly attributable transaction costs. Financial assets are measured at a later date at amortized cost using the effective interest rate method, net of any impairment losses. The disposal or reclassification of a greater than insignificant amount of financial assets held to maturity other than close to maturity causes the Company to reclassify all held-to-maturity investments as investments available for sale and means that until the end of the financial year and for two subsequent financial years, the Company may not recognize the acquired investments as held-to-maturity financial assets.

Held to maturity assets include bonds.

#### Loans granted and own receivables

Loans and Treasury Receivables are financial assets with fixed or determinable payments that are not listed on an active market. Such assets are initially recognized at fair value plus directly attributable transaction costs. Loans granted and receivables are measured at a later date at amortized cost, using the effective interest rate method, less impairment losses, if any.

#### Derivative financial instruments not held for trading

Derivative financial instruments are initially recognized at fair value; Transaction costs are recognized at the time they are incurred in profit or loss for the current period. After initial recognition, the Company measures derivative financial instruments at fair value, gains and losses arising from changes in fair value are recognized in the manner described below.

When a derivative has not been designated as a hedging instrument, any changes in its fair value are immediately recognized in the profit or loss of the current period.

#### **Inventories**

Inventories are measured at acquisition or production cost, or at net realizable value, whichever is lower, taking into account write-downs for loss of economic utility. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to complete the sale.

The cost and outflow of inventories are determined using the weighted average method.

#### **Receivables**

Trade receivables and other receivables are recognized when the Company is entitled to receive a certain amount, usually as a result of the supply of goods or services. They are disclosed in the amount of expected repayment, less impairment allowances. Receivables considered uncollectible are written off against profit or loss at the time of their discovery. Current receivables are measured at nominal value because due to their short maturity, the difference between the nominal value and the value measured at amortised cost is immaterial. Changes in interest rates and the passage of time do not have a significant impact on their valuation.

In accordance with IFRS 9 Financial Instruments, the Company applies a simplified model for estimating expected credit losses (ECL) for trade receivables, which means that credit losses are recognized in the amount corresponding to expected losses over the entire life of the receivables, regardless of the occurrence of indications of a significant increase in credit risk. The principles for determining ECL are based on historical data on credit losses incurred, which are adjusted for current and forecast macroeconomic information that may affect the payment capacity of customers.

#### **Cash and cash equivalents**

Cash includes cash on hand and in bank accounts. Cash equivalents are short-term investments with high liquidity, easily convertible into known amounts of cash and exposed to a small risk of value change. Cash is presented at nominal value, which corresponds to its fair value.



## **Sales revenue**

The Company applies IFRS 15 "Revenue from Contracts with Customers", which sets out a uniform framework for recognizing revenue from the provision of goods and services. This standard introduces a five-stage model used to determine the moment and amount of revenue that should be recognized in the accounting books.

In the first place, the Company identifies the concluded agreement with the customer, and then defines the obligations to perform the services that have been distinguished in this agreement. Next, the total remuneration due for the performance of the contract is determined, which is then allocated to individual obligations to perform the performance in a proportion corresponding to their relative sales prices. Ultimately, revenue is recognized at the moment when a given obligation is fulfilled – i.e. when control over the goods or services is transferred to the customer.

The main source of the Company's revenue is the sale of goods. Revenue on this account is usually recognized at the time of delivery, because this is when control over the goods is transferred to the customer. The Company operates in the consumer goods sector, offering, among m.in, beauty and personal care products (personal care products, sunscreens, eau de toilette, deodorants) and household items such as food packaging, garbage bags, cleaning products.

Consideration for goods is recognized at fair value and takes into account any trade rebates, bonuses, refunds, and other variable components of consideration that may affect the final value of revenue. The Company takes into account variable elements of remuneration only to the extent that it is highly likely that they will not be materially reversed in the future.

In cases where goods or services have already been delivered, but an invoice has not yet been issued, the Company recognizes so-called contractual assets. On the other hand, in situations where the customer makes an advance payment and the Company has not yet fulfilled its contractual obligations, contractual obligations are recognized, which are settled at the time of performance.

All trade receivables are recognized where the Company has an unconditional right to receive payment from the customer.

The re-invoiced costs are presented on a net basis – after deducting the relevant cost items.

## **Equity**

Equity is recognized in the accounting books by its type and in accordance with the rules set out in the provisions of law and the provisions of the Company's Articles of Association.

The share capital is presented at a nominal value, in the amount consistent with the Company's Articles of Association and the entry in the National Court Register. Declared but unpaid capital contributions are recognized as receivable capital contributions. Payments due towards the share capital reduce the value of the Company's equity.

The capital from the issue of shares above their nominal value is created from the surplus of the issue price of shares over their nominal value, less the costs of this issue.

The retained profit from previous years, statutory supplementary capital and reserve capital created from profit, and the result of the current year are presented in the financial statements as retained earnings.

### **Share-based payments**

The Company applies the principles of recognition and measurement of employee benefits resulting from the Long-Term Incentive Plan (LTI), implemented in the form of the allocation of shares of the parent company GR Sarantis S.A., in accordance with the requirements of IFRS 2 – Share-based payments.

The LTI program is a benefit settled in equity instruments and includes the allocation of shares to program participants, provided that certain performance conditions are met over a period of 3-year settlement cycles. Each cycle is a separate benefit due to the lack of connection between cycles.

The costs of services are recognized in the period of vesting, i.e. in the period covered by the cycle in which the results are assessed, in proportion to the degree of performance of services by program participants. The value of the benefit is determined on the basis of the fair value of the shares granted as at the date of grant, taking into account an estimate of the number of shares that are likely to be eventually granted.

Changes in estimates are presented prospectively. In the event of failure to meet the conditions entitling to receive shares, an appropriate adjustment of costs is made in the period in which such an event occurred.

After the end of each settlement cycle, the benefit is settled by increasing equity (item: Other reserves).

### **Loans and credits**

Bank loans and advances are recognized in the accounting books at the fair value of the proceeds received, less transaction costs. Subsequently, they are measured at amortized purchase price using the effective interest rate.

Long-term loans granted to related parties within the group are non-commercial and are used to finance the day-to-day operations of these entities.

In accordance with IFRS 9, these loans are initially recognized at fair value. Due to their nature and lack of significant impact on the financial statements, the Company applies a simplified approach consisting in the subsequent valuation of loans at amortized cost without the effective interest rate.

The Company believes that such an approach does not adversely affect the fairness and clarity of the financial position and is consistent with the materiality principle set out in IFRS.

### **Foreign currency transactions**

Transactions denominated in currencies other than the Polish zloty are recognized in the accounting books as at the date of their execution at the following exchange rate:

- 1) actually, applied on that day, resulting from the nature of the operation in the case of sale or purchase of currencies and payment of receivables or liabilities,
- 2) the average announced for a given currency by the National Bank of Poland on the day preceding that day in the case of payment of receivables or liabilities, if it is not justified to use the exchange rate referred to in point 1, as well as in the case of other operations.

As at the balance sheet date, monetary assets and liabilities denominated in currencies other than the Polish zloty are translated into Polish zlotys using the average exchange rate set for a given currency by the National Bank of Poland, as applicable at the end of the reporting period.

Non-cash assets and liabilities recognized at historical cost denominated in foreign currency are recognized at the historical exchange rate as at the date of the transaction. Non-cash assets and liabilities recognized at fair value expressed in a foreign currency are translated at the exchange rate as at the measurement date to fair value.

Foreign exchange differences arising from the settlement of transactions in foreign currencies and the measurement of monetary assets and liabilities as at the balance sheet date are disclosed as finance income or expenses in the statement of comprehensive income in the net amount.

The following exchange rates have been adopted for the purposes of balance sheet valuation:

Exchange rate at the day	31.12.2024	31.12.2023
USD	4,1012	3,9350
EUR	4,2730	4,3480
GBP	5,1488	4,9997
CNY	0,5621	0,5534

## Income tax

Income tax includes the current part and the deferred part. Current and deferred income tax are recognized in profit or loss for the current period, except when it relates to a combination of entities and items recognized directly in equity or as other comprehensive income.

Current tax is the expected amount of tax liabilities or receivables on taxable income for a given year, determined using the tax rates applicable by law or actually as at the reporting date and the adjustment of the tax liability for previous years.

Deferred tax is recognized in connection with temporary differences between the carrying amount of assets and liabilities and their value determined for tax purposes. Deferred income tax is not recognized in the case of:

- temporary differences resulting from the initial recognition of assets or liabilities from a transaction that is not a business combination and does not affect either the profit or loss of the current period or the taxable income;
- temporary differences arising from investments in subsidiaries and jointly controlled entities to the extent that they are not likely to be disposed of in the foreseeable future;
- temporary differences arising in connection with the initial recognition of goodwill.

Deferred tax is measured using tax rates that are expected to be applied when temporary differences reverse, with tax regulations in force by law or actually in force until the reporting date being taken as the basis.

Deferred tax assets and deferred tax liabilities are offset if the Company has an enforceable legal title to set off current tax liabilities and assets and provided that the deferred tax assets and liabilities relate to income tax imposed by the same tax authority on the same taxpayer or on different taxpayers, who intend to settle their income tax liabilities and receivables in the net amount or at the same time pay the receivables and settle the liability.

A deferred tax asset used to carry forward an unused tax loss and an unused tax credit and related to deductible temporary differences is recognized to the extent that it is likely that future taxable income will be available to allow them to be written off.

Deferred tax assets are reassessed as at each reporting date and reduced to the extent that the related income tax benefits are not likely to be realized.

### **Non-current assets held for sale/sale**

Non-current assets held for sale are assets that meet the following criteria:

- The Management Board of the Company submitted a declaration of sale,
- assets are available for immediate sale in their current state,
- an active search for a potential buyer was initiated,
- the sale transaction is highly probable and can be settled within 12 months of the decision,
- the selling price is reasonable in relation to the present fair value,
- There is a low probability of introducing significant changes to the plan to dispose of these assets.

If the criteria are met after the balance sheet date, the assets are not reclassified at the end of the financial year preceding the event. The change in classification is reflected in the reporting period when the criteria have been met.

As soon as a given asset is designated for sale, depreciation is discontinued.

Assets held for disposal are measured at the lower of the two values: net carrying amount or fair value less costs to sell.

### **Reserve**

A company creates provisions if it has an obligation (legal or customarily expected) resulting from past events and when it is probable that the fulfilment of this obligation will necessitate the outflow of funds containing economic benefits and it is possible to make a reliable estimate of the amount of this liability. The amount of provisions created is verified as at the balance sheet date in order to adjust them to the amount of estimates consistent with the state of knowledge as at that date.

### **Liabilities**

Trade and other payables are measured at the amount to be paid.

### **Contingent liabilities**

Contingent liabilities are understood as the obligation to perform services, the occurrence of which depends on the occurrence of specific events. Contingent liabilities are not disclosed in the balance sheet, however, information on the contingent liability is disclosed, unless the probability of an outflow of funds embodying economic benefits is negligible.

## **Application of principles**

The above principles are also applied to the comparative data.

### **New Accounting Standards, changes to the Standards and Interpretations applied to financial statements:**

As of January 1, 2024, the Company adopted all amendments to IFRS adopted by the European Union ("EU") related to its business and applicable to separate financial statements.

The following new standards, interpretations and amendments to the standards have been issued by the International Accounting Standards Board (IASB), adopted by the European Union, and their application is mandatory from 01.01.2024.

IAS 1 (Amendments) Presentation of Financial Statements: 'Classification of Liabilities as Current or Non-Current'

In January 2020, the IASB issued amendments to IAS 1 that affect the requirements for the presentation of commitments. In particular, the amendments clarify one of the criteria for classifying a liability as non-current, namely the requirement that the entity has the right to defer the payment of the liability for at least 12 months after the end of the reporting period. The amendments include, m.in others, clarification that the entity's right to deferral of settlement must exist as at the reporting date and clarification that the classification of liabilities is not affected by management's intentions or expectations regarding the exercise of the right to deferral. In addition, in October 2022, the IASB issued an amendment clarifying the classification of debt with covenants and requires new disclosures for long-term liabilities that are subject to future covenants.

IFRS 16 Leases (Amendments): "Leaseback Liability in Case of Sale and Leaseback"

The amendments are aimed at clarifying the accounting requirements by the seller-lessee with respect to the valuation of the lease liability arising in sale and leaseback transactions. An entity applies this amendment retrospectively to sale and leaseback transactions entered into after the date of first application of IFRS 16.

IAS 7 (Amendments) 'Statement of Cash Flows' and IFRS 7 (Amendments) 'Disclosures of Financial Instruments'

In May 2023, the IASB issued final amendments to IAS 7 and IFRS 7 that address the disclosure requirements to be provided by entities in connection with their supplier financing arrangements.

These changes did not affect the Company's annual financial statements.

### **New Accounting Standards, changes to standards and Interpretations that are obligatorily applied in subsequent periods:**

The International Accounting Standards Board (IASB) has issued the following new IFRSs, IFRS Amendments and Interpretations, but they have not yet entered into force for annual periods beginning on 1 January 2024. The following are the issues related to the Company's operations:

The Company does not intend to adopt the following New IFRSs, Amendments to IFRS and Interpretations prior to their effective date, as indicated below.

IAS 21 (Amendments) Effects of Changes in Foreign Exchange Rates: Nonconvertibility (Amendments Effective for Annual Periods on or After January 1st, 2025)

In August 2023, the International Accounting Standards Board (IASB) issued amendments to IAS 21 Effects of Foreign Exchange Rate Movements, which require companies to provide more useful information in their financial statements when a currency is not convertible into another currency. The amendments introduce a definition of the "convertibility" of a currency and provide guidance on how an entity should estimate an instant exchange rate in cases where the currency is not convertible. Additional information is also required in cases where the entity has estimated the spot exchange rate due to a lack of convertibility. The amendments have not yet been approved by the EU.

Changes in the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (The amendments apply to annual periods on or after 1 January 2026)

The amendments clarify that a financial liability is derecognized from the balance sheet on the "settlement date" and introduce a choice of accounting principles consisting in the cessation of recognition of financial liabilities settled via the electronic payment system before the settlement date. Other clarifications include the classification of financial assets with ESG-related characteristics through additional guidance on the assessment of contingent characteristics. Issues related to non-recourse loans and instruments linked by the agreement were clarified. The changes require additional disclosure in relation to investments in equity instruments that are measured at fair value and gains or losses are presented in other comprehensive income (FVOCI). The amendments have not yet been approved by the EU.

Annual Amendments to IFRS Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 (effective for annual periods beginning on or after 1 January 2026)

The Annual Improvements to IFRS - Volume 11, published by the International Accounting Standards Board (IASB) on 18 July 2024, has been amended to include clarifications, simplifications, adjustments and amendments to the following standards:

- IFRS 1 - International Financial Reporting Standards – Hedge Accounting for First Application
- IFRS 7 - Financial Instruments – Disclosures
  - Gain or loss on derecognition
  - Disclosure of differences between fair value and transaction price
  - Credit risk disclosure
- IFRS 9 - Financial Instruments
  - Derecognition of lease liabilities
  - Trading price
- IFRS 10 - Consolidated Financial Statements - Determination of "de facto agent"
- IAS 7 – Statement of Cash Flows – Acquisition or Production Cost Method

The amendments to IFRS 9 clarify:

- Differences between IFRS 9 and IFRS 15 Revenue from Contracts with Customers Regarding Initial Measurement of Trade Receivables
- How a lessee recognizes the derecognition of a lease liability under IFRS 9

The change regarding the derecognition of lease liabilities applies only to lease liabilities that the Company has ceased to recognize during or after the beginning of the annual reporting period in which the change was first applied.

The amendments apply to settlement periods beginning on or after 1 January 2026 and may be adopted earlier. These changes have not yet been adopted by the European Union.

Amendments to IFRS 9 and IFRS 7 Renewable Energy Contracts from Renewable Sources (effective for annual reporting periods beginning on or after January 1st 2026).

On 18 December 2024, the International Accounting Standards Board (IASB) published amendments to IFRS 9 and IFRS 7 on contracts for electricity produced from renewable sources. The aim of these changes is to better reflect the impact of both physical and virtual electricity contracts on financial statements.

The changes include in particular:

- Clarifications on the application of the 'own use' requirement
- applying hedge accounting where these contracts are used as hedging instruments
- adding new disclosure requirements to allow investors to understand the impact of these agreements on the Company's financial performance and cash flows.

The amendments should apply to annual periods beginning on or after 1 January 2026 and are allowed to be adopted earlier. These changes have not yet been adopted by the European Union.

IFRS 18 Presentation and Disclosure of Information in Financial Statements (effective for annual periods beginning on or after 01.01.2027).

In April 2024, the International Accounting Standards Board (IASB) issued a new IFRS 18 standard, which replaces IAS 1 Presentation of Financial Statements. The primary purpose of the standard is to improve the assessment of the company's performance by increasing comparability in the presentation in the entity's financial statements, in particular in the income statement and in the notes to the financial statements. In particular, the standard will contribute to the improvement of the quality of financial information due to:

- a) the requirement to define subtotals in the income statement,
- b) the requirement to disclose, in a separate note to the financial statements, the Management Defined Performance Measures,
- c) new rules for grouping/separating information.

IFRS 18 applies to annual reporting periods beginning on 1 January 2027 and later. Early adoption is allowed. The amendments have not yet been approved by the EU.

IFRS 19 Non-Public Liability Subsidiaries: Disclosures (effective for annual periods beginning on or after 01.01.2027).

In May 2024, the International Accounting Standards Board (IASB) issued a new standard, IFRS 19, which allows a non-public liability subsidiary whose parent company that prepares consolidated financial statements available for public use that comply with IFRS accounting standards to disclose limited information when applying IFRS in its financial statements. An eligible subsidiary that applies IFRS 19 is required to apply the requirements of other IFRS Accounting Standards with respect to recognition, measurement and presentation requirements, and with respect to disclosure requirements, it uses IFRS 19 instead of the disclosure requirements of other IFRSs, except in certain circumstances. The new standard applies to reporting periods starting on or after 1 January 2027, with earlier application permitted. The amendments have not yet been approved by the EU.

The Company assesses the impact of the new standards and changes on the financial statements. It is expected that the changes in subsequent periods will not have a material impact on the Company's financial statements.

## Explanatory notes to the financial statements

### 1. Tangible fixed assets

	31.12.2024	31.12.2023
Land	4 032 000	-
Buildings and structures	11 604 922	11 988 154
Technical equipment and machinery	5 113 420	4 984 493
Means of transport	877 062	634 728
Other fixed assets	1 064 887	1 117 461
Buildings - right-of-use assets	3 181 629	5 743 851
Technical equipment - right-of-use assets	50 152	69 412
Means of transport - right-of-use assets	4 650 864	535 150
Advance payments for fixed assets under construction	-	52 905
<b>Total property, plant and equipment</b>	<b>30 574 936</b>	<b>25 126 154</b>

#### 1.1. Tangible fixed assets – property

The Company applies the revaluation model for the measurement of property (land as well as buildings and structures) in accordance with IAS 16. As at December 31, 2024, the fair value of the properties measured under this model was reviewed to ensure that the carrying amounts remain current and reflect fair value.

The verification was carried out on the basis of the latest valuation prepared by an independent property valuer as at 31 December 2022, assuming that the key market parameters remain unchanged, i.e.:

- capitalization rate: 6.5%,
- rent rate: 13.4 EUR/m<sup>2</sup>,
- Operating cost rate: 5.6 PLN/m<sup>2</sup>.

The analysis of changes in the real estate market and the review of available market data did not show any significant deviations from the assumptions made in the valuation as at 31 December 2022.

As a result, the company concluded that the fair value of the property as at 31 December 2024 does not differ significantly from the value reported on the basis of the 2022 valuation.

#### The carrying amount of properties listed under the revaluation model:

	31.12.2024	31.12.2023
<b>Asset component</b>		
Land / presented as perpetual usufruct in 2023	4 032 000	4 032 000
Buildings and structures	11 604 922	11 988 154
<b>Total</b>	<b>15 636 922</b>	<b>16 020 154</b>



**The value of property under the historical cost model – information required under IAS 16.77(e):**

The carrying amount of the same properties that would be presented if they were accounted for under the historical cost model (net of accumulated depreciation and impairment):

	31.12.2024	31.12.2023
<b>Asset component</b>		
Land / presented as perpetual usufruct in 2023	3 701 269	1 462 980
Buildings and structures	10 773 040	11 156 272
<b>Total</b>	<b>14 474 309</b>	<b>12 619 252</b>

**Change in the presentation of land as a result of the acquisition of ownership rights**

On October 18, 2024, on the basis of a notarial deed No. 3363/2024, the Company acquired the ownership right to the land previously in perpetual usufruct, for the price of PLN 2,238,289. In connection with this transaction, the presentation of the asset in the financial statements was changed – the land was reclassified from "Perpetual usufruct right" to property, plant and equipment, "Land".

The value of the land as at 31 December 2024 amounted to PLN 4,032,000 and corresponded to its fair value as at that date. Similarly, the value disclosed as at 31 December 2023, still as a perpetual usufruct right, also amounted to PLN 4,032,000 and reflected the fair value of the land as at that date.

The change in the nature of the right to the land from perpetual usufruct to ownership did not affect the valuation model used – both before and after the transformation, the land was measured according to the fair value model. The increase in the value of the land resulting from the acquisition of ownership rights was recognised in the revaluation reserve and did not affect the fair value as at the balance sheet date.

In accordance with IFRS 16, the company recognises right-of-use assets and liabilities arising from lease agreements. In 2024, the company disclosed the following assets as property, plant and equipment:

1. Buildings:

The Company uses the warehouse and the adjacent building under a lease agreement dated 23 July 2008 with MLP Pruszków III Sp. z o.o., for which the discounted value of future rents, presented as assets as at December 31st 2024, amounted to PLN 3,181,629.

The value of the asset as at 31 December 2023 amounted to PLN 5,743,851, respectively.

2. Means of transport:

The Company uses company cars on the basis of a long-term rental agreement No. 31626/22042020 of 22.04.2020, concluded with Arval Service Lease Polska Sp. z o.o. In 2024, the car fleet was replaced, in connection with which an asset of PLN 4,650,864 was recognized as at 31 December 2024. As at 31 December 2023, the value of the asset was PLN 535,150, respectively.

3. Technical equipment and machines:

The Company uses industrial printers under lease agreement No. 4/2022 of 27/04/2022 and agreement No. 1/2023 of 20/03/2023, concluded with EBS Ink-Jet Systems Poland Sp. z o.o. As at 31 December 2024, the value of the usufruct asset was PLN 50,152 and as at 31 December 2023 it was PLN 69,412, respectively.

As at December 31st 2024 and December 31st 2023, there were no property, plant and equipment that would secure the Company's liabilities.

In 2024 and 2023, the Company did not make any changes to the depreciation periods.

As of December 31, 2024. and 31 December 2023. The company had no future investment commitments.

## Table of changes in fixed assets

GROSS VALUE OF FIXED ASSETS	Land	Buildings and structures	Buildings MSSF 16	Machines and technical equipment	Machinery and technical equipment IFRS 16	Means of transport	Means of transport IFRS 16	Other fixed assets
Gross value as at 01 January 2023	-	14 700 701	16 423 889	13 298 557	72 640	1 925 512	4 386 657	3 269 951
Increase:	-	-	-	717 591	23 659	460 524	105 232	214 700
acquisition	-	-	-	717 591	23 659	460 524	105 232	214 700
Reduce:	-	3 825	64 943	473 724	-	183 822	301 376	17 500
sale	-	-	-	61 674	-	104 655	-	-
liquidation	-	3 825	64 943	412 050	-	79 167	301 376	17 500
transfer	-	-	-	-	-	-	-	-
Gross value as at 31 December 2023	-	14 696 876	16 358 946	13 542 424	96 299	2 202 214	4 190 513	3 467 151
Increase:	6 270 289	-	-	1 054 734	-	436 446	5 364 021	162 400
acquisition	2 238 289	-	-	1 054 734	-	436 446	5 364 021	162 400
Reclassification of land (acquisition of PUW)	4 032 000	-	-	-	-	-	-	-
Reduce:	2 238 289	-	16 291	503 017	-	418 265	4 280 013	15 600
reduce revaluation	2 238 289	-	-	-	-	-	-	-
sale	-	-	-	38 557	-	100 048	-	-
liquidation	-	-	-	464 460	-	318 217	4 280 013	15 600
transfer	-	-	-	-	-	-	-	-
reduction	-	-	16 291	-	-	-	-	-
Gross value as at 31 December 2024	4 032 000	14 696 876	16 342 655	14 094 141	96 299	2 220 395	5 274 521	3 613 951

## Changes in property, plant and equipment by type groups continued:

	Land	Buildings and structures	Buildings MSSF 16	Machines and technical equipment	Machinery and technical equipment IFRS 16	Means of transport	Means of transport IFRS 16	Other fixed assets	Fixed assets under construction	Advance payments for fixed assets	Total
<b>Accumulated depreciation and write-offs impairment as at 1 January 2023</b>	-	2 329 315	8 060 138	8 143 823	8 798	1 557 541	2 766 047	2 137 570	-	-	25 003 232
Increase:	-	383 232	2 554 958	887 546	18 090	89 112	1 055 628	229 631	-	-	5 218 197
depreciation per year	-	383 232	2 554 958	887 546	18 090	89 112	1 055 628	229 631	-	-	5 218 197
Reduce:	-	3 825	-	473 438	-	79 167	166 311	17 554	-	-	740 295
sale	-	-	-	61 388	-	-	-	-	-	-	61 388
liquidation	-	3 825	-	412 050	-	79 167	166 311	17 554	-	-	678 907
<b>Accumulated depreciation and write-offs impairment as at 31 December 2023</b>	-	2 708 722	10 615 096	8 557 931	26 888	1 567 486	3 655 364	2 349 647	-	-	29 481 134
Increase:	-	383 232	2 545 930	925 807	19 260	172 403	1 221 924	215 062	-	-	5 483 618
depreciation per year	-	383 232	2 545 930	925 807	19 260	172 403	1 221 924	215 062	-	-	5 483 618
Reduce:	-	-	-	503 017	-	396 556	4 253 630	15 637	-	-	5 168 840
sale	-	-	-	38 557	-	78 339	-	-	-	-	116 896
liquidation	-	-	-	464 460	-	318 217	4 253 630	15 637	-	-	5 051 944
<b>Accumulated depreciation and write-offs impairment as at 31 December 2024</b>	-	3 091 954	13 161 026	8 980 721	46 148	1 343 333	623 658	2 549 072	-	-	29 795 912
<b>Net book value:</b>											
As of January 1, 2023	-	12 371 386	8 363 751	5 154 734	63 842	367 971	1 620 610	1 132 388	-	-	29 074 682
As of December 31, 2023	-	11 988 154	5 743 850	4 984 493	69 411	634 728	535 149	1 117 464	-	52 905	25 126 154
<b>As of 31 December 2024</b>	<b>4 032 000</b>	<b>11 604 922</b>	<b>3 181 629</b>	<b>5 113 420</b>	<b>50 151</b>	<b>877 062</b>	<b>4 650 863</b>	<b>1 064 888</b>	<b>-</b>	<b>-</b>	<b>30 574 935</b>

## 2. Intangible assets

	31.12.2024	31.12.2023
PC software	1 793 968	2 255 949
Trademarks, licenses	6 592 571	6 776 512
Expenditure on intangible assets	132 382	-
<b>Total intangible assets</b>	<b>8 518 921</b>	<b>9 032 461</b>

In 2024 and 2023, no changes were made to the depreciation periods.

Changes in intangible assets were as follows:

GROSS VALUE OF NON-TANGIBLE ASSETS	Trademarks, licenses	Computer software	expenditure on intangible assets	Total
Gross value as at 1 January 2023	9 457 483	8 371 497	-	17 828 980
Increase:	-	120 037	-	120 037
acquisition	-	120 037	-	120 037
Reduce:	500	296 985	-	297 485
liquidation	500	296 985	-	297 485
Gross value as at 31 December 2023	9 456 983	8 194 549	-	17 651 532
Increase:	-	26 250	132 382	158 632
acquisition	-	26 250	132 382	158 632
Reduce:	-	-	-	-
liquidation	-	-	-	-
Gross value as at 31 December 2024	9 456 983	8 220 799	132 382	17 810 164
	Trademarks, licenses	Computer software	expenditure on intangible assets	Together
Accumulated depreciation and write-offs impairment as at 1 January 2023	2 497 033	5 912 935	-	8 409 968
Increase:	183 940	322 648	-	506 588
depreciation per year	183 940	322 648	-	506 588
Reduce:	500	296 985	-	297 485
liquidation	500	296 985	-	297 485
Accumulated depreciation and write-offs impairment as at 31 December 2023	2 680 473	5 938 598	-	8 619 071
Increase:	183 939	488 233	-	672 172
depreciation per year	183 939	488 233	-	672 172
Accumulated depreciation and write-offs impairment as at 31 December 2024	2 864 412	6 426 831	-	9 291 243
Net book value:				
As of January 1, 2023	6 960 450	2 458 562	-	9 419 012
As of December 31, 2023	6 776 510	2 255 951	-	9 032 461
As of 31 December 2024	6 592 571	1 793 968	132 382	8 518 921

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In 2024 and 2023, the Company did not make any changes to the depreciation periods.

### 3. Interests in related parties

The Company holds shares in the following entities:

Company	NCR no	Address	Share	31.12.2024	31.12.2023
Polipak Sp. z o.o.	0000233546	7 Fabryczna Street, Środa Wielkopolska	100%	238 045 899	238 045 899
Stella Pack S.A.	0000689135	67 Krańcowa Street, Lubartów	100%	244 920 088	-
<b>Total</b>				<b>482 965 987</b>	<b>238 045 899</b>

Changes in the value of investments in subsidiaries are as follows:

	Polipak	Stella Pack	Stella Pack Europe	Together
<b>Value as of 1 January 2023</b>	<b>23 825 899</b>	-	-	<b>23 825 899</b>
Acquisition of shares	22 220 000	-	-	22 220 000
Acquisition of new shares	192 000 000	-	-	192 000 000
<b>Value as at 31 December 2023</b>	<b>238 045 899</b>	-	-	<b>238 045 899</b>
	Polipak	Stella Pack	Stella Pack Europe	Together
<b>Value as at 1 January 2024</b>	<b>238 045 899</b>	-	-	<b>238 045 899</b>
Acquisition of shares	-	109 617 132	25 878 749	135 495 881
Connection	-	135 302 956	25 878 749	109 424 207
<b>Value as at 31 December 2024</b>	<b>238 045 899</b>	<b>244 920 088</b>	-	<b>482 965 987</b>

#### 3.1. Shares in Polipak Sp. z o.o.

As at December 31, 2024, the Company holds 100% of shares in Polipak Sp. z o.o., with a total value of PLN 238,045,899.

In 2023, the Company acquired a 20% stake from a minority shareholder and became the sole shareholder of Polipak. In 2023, the Company acquired new shares for a total value of PLN 192 million. On 1 April 2025, an additional payment to the capital was made for a total value of PLN 10.6 million.

#### Analysis of impairment of shares in Polipak

As of 31.12.2024. The Management Board conducted an analysis of the evidence of impairment of the shares. Due to the identified indication of deterioration of Polipak's financial results, an impairment test of shares was performed in accordance with the requirements of IAS 36 Impairment of Assets.

The test was conducted in relation to a cash-generating unit (CGU), which is the approach required to estimate the recoverable amount in the light of IAS 36.

The recoverable amount of the shares was determined on the basis of the estimated CGU value, corresponding to the business conducted by Polipak sp. z o.o. The Discounted Cash Flow (DCF) method was used, based on projected cash flows and the so-called terminal value.

**The main assumptions of the model, resulting from the last approved budgets, included:**

- projection period: 4 years, with an average annual revenue growth of 5% assumed;
- long-term growth rate (terminal growth rate): 4.0%,
- discount rate (WACC): 10.80%,
- maintaining the operating margin (EBIT) in the range of 1.6%–3.9% per annum, in line with the Management Board's assumptions,
- taking into account replacement expenditures, operating costs and expected changes in sales prices.

Based on the test, it was determined that the recoverable amount of the CGU exceeds the carrying amount of the shares by PLN 42.3 million. Therefore, it was not necessary to recognise the impairment loss.

The key assumption adopted by the Management Board in calculating the projected cash flows was budgeted operating profit before tax and interest (EBIT), estimated on the basis of historical data from recent years and adjusted for expected changes in operating profitability.

The Management Board indicated that a reasonably possible change in the key parameter, i.e. the discount rate, could lead to a situation in which the carrying amount exceeds the recoverable amount.

The sensitivity analysis showed that the break-even point, i.e. the value of the discount rate at which the recoverable amount would equal the carrying amount (assuming no changes in the other parameters), was 11.9%.

### **3.2. Shares in Stella Pack S.A.**

As at 31 December 2024, the value of the shares held is PLN 244,920,089.

The shares in Stella Pack S.A. were acquired on the basis of an agreement concluded on 10 January 2024 between:

- **Bounty Brands Europe Limited** with its registered office in Malta – owning 100% of shares in Stella Pack Europe Sp. z o.o., which in turn held 60% of shares in Stella Pack S.A., and
- **Forum 87 Investment Fund in Liquidation** with its registered office in Kraków – holding 40% of shares in Stella Pack S.A.

As a result of this transaction, Sarantis Polska became:

- direct owner of 100% of shares in **Stella Pack Europe Sp. z o.o.** and
- directly and indirectly owns 100% of shares in **Stella Pack S.A.**

Stella Pack Europe was a holding company that had no operational activities.

On December 31, 2024, the merger of Stella Pack Europe with Sarantis Polska was registered, detailed information on the impact of the merger on the items of the Statement of financial position and profit or loss is included in note no. 20.

**4. Deferred tax**

Deferred income tax as at 31 December 2024 and 31 December 2023 results from the following items:

<b>Deferred tax assets</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Accruals	2 846 434	2 937 809
Assets for the temporary differences – inventories	505 485	540 940
Balance sheet valuation of assets and liabilities in foreign currencies	33 155	49 860
Temporary difference assets - Fixed assets	73 115	27 260
Assets arising from temporary differences - receivables	9 958	51 839
Due to unpaid liabilities	12 509	12 874
Assets - provision for retirement severance pay	190 452	137 437
Other	14 737	-
	<b>3 685 845</b>	<b>3 758 019</b>
<b>Deferred tax liability</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Balance sheet valuation of assets and liabilities in foreign currencies	373 064	341 308
Provision for temporary differences - fixed assets	1 916 503	2 384 313
Net lease position (right-of-use asset less lease liability)	92 845	145 035
Unpaid interest and receivables	64 731	36 921
	<b>2 447 143</b>	<b>2 907 577</b>
<b>Net assets/(reserve)</b>	<b>1 238 702</b>	<b>850 442</b>

Deferred tax assets and liabilities are presented in the statement of financial position at net value – as the difference between the amount of assets and provisions recognized for individual business entities, in accordance with IAS 12.

Deferred tax assets are recognized only to the extent that it is likely that taxable income will be available in the future to allow them to be used. The Management Board regularly assesses the recoverability of tax assets based on forecasts of tax results in subsequent reporting periods.

As at the balance sheet date, there were no indications that it was necessary to recognise an impairment loss on deferred tax assets. The Management Board considers it reasonable to assume that these assets can be fully realized in the foreseeable time horizon.



**5. Inventories**

	<b>31.12.2024</b>	<b>31.12.2023</b>
Trading goods	56 516 267	63 312 278
Finished products	6 919 159	5 533 995
Materials	5 150 597	7 512 763
Reserve for the return of seasonal products	700 558	816 474
Inventory impairment allowance	(145 045)	(486 600)
	<b>69 141 536</b>	<b>76 688 910</b>

As at December 31, 2024 and December 31, 2023, no pledge was established on the Company's inventories as security for its liabilities.

In 2024, the Company recognized an impairment loss on inventories of PLN 1,397,705 (2023: PLN 486,600). These impairments were recognized under "Other operating expenses" in the Statement of comprehensive income.

As at 31 December 2024, the total costs of liquidation and disassembly of inventories amounted to PLN 7,167,785 and PLN 5,816,919 as at 31 December 2023, respectively.

The value of goods sold at purchase price and products at production cost, recognized in the Company's result, amounted to, respectively:

<b>Items Statement of comprehensive income</b>	<b>2024</b>	<b>2023</b>
Change in product inventory:	88 097 791	94 606 777
value of goods and materials sold	212 202 236	216 707 273
<b>Total</b>	<b>300 300 027</b>	<b>311 314 050</b>

**Reserve for inventories – returns of seasonal products**

As at the balance sheet date, the Company recognizes a provision for inventories in connection with the expected returns of seasonal products that may take place in the next reporting period. The provision represents the estimated value of returned inventories, measured at unit cost per asset, in accordance with the requirements of IAS 2 Inventories. In accordance with the prudential principle and the requirements for the recognition and measurement of assets in accordance with IFRS, these returns are treated as a reduction in sales revenues in the current period, and the corresponding inventory value – as a separate asset item.

**6. Trade receivables and other receivables**

As at 31 December 2024, trade receivables were as follows:

<b>Trade receivables</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Trade receivables from related parties	8 149 341	9 898 530
Receivables from other entities	52 312 073	56 472 064
Impairment allowances on trade receivables	(64 467)	(180 080)
	<b>60 396 947</b>	<b>66 190 514</b>

**Other receivables**

VAT to be settled in the next period	4 114 192	1 332 392
Prepayments for supplies from related parties	1 097 107	1 014 113
Prepayments for deliveries from other units	1 028 894	85 436
Other receivables	1 090 341	788 619
Impairment allowances on other receivables	-	(155 506)
	<b>7 330 534</b>	<b>3 065 053</b>

Trade receivables and other receivables do not bear interest and usually have a 30–90-day payment term. As at 31 December 2024, receivables in the amount of PLN 64,467 were considered difficult to collect and were subject to an impairment loss (as at 31 December 2023: PLN 356,586, respectively).

Changes in the impairment loss on receivables are presented below:

<b>Change in impairment allowances trade receivables and other</b>	<b>01.01.2024- 31.12.2024</b>	<b>01.01.2023- 31.12.2023</b>
<b>The beginning of the period</b>	<b>335 586</b>	<b>250 197</b>
Increase	1 438	106 689
Exploitation	(268 439)	(13 556)
Reduction - solution	(4 118)	(7 744)
<b>End of Period</b>	<b>64 467</b>	<b>335 586</b>

In accordance with IFRS 9 Financial Instruments, the Company applies a simplified model for estimating expected credit losses (ECL) for trade receivables, which means that credit losses are recognized in the amount corresponding to expected losses over the entire life of the receivables, regardless of the occurrence of indications of a significant increase in credit risk. The principles for determining ECL are based on historical data on credit losses incurred, which are adjusted for current and forecast macroeconomic information that may affect the payment capacity of customers. As at 31 December 2024 and 31 December 2023, there was no need to create a provision in this respect.

The analysis of trade receivables that were overdue as at 31 December 2024 and 31 December 2023, but not considered difficult to collect, is presented below:

		<b>Overdue receivables that have not lost their value</b>					
<b>Year</b>	<b>Together</b>	<b>Not expired</b>	<b>&lt; 30 days</b>	<b>30 - 60 days</b>	<b>60-90 days</b>	<b>90-120 days</b>	<b>&gt; 120 days</b>
<b>2024</b>	60 396 947	58 208 835	1 818 806	209 203	160 103	-	-
<b>2023</b>	66 190 514	66 166 609	23 905	-	-	-	-

As at the balance sheet date, the Company recognises a provision for anticipated returns of goods from customers, which reduces the value of trade receivables disclosed in the Statement of Comprehensive Income. The provision reflects an estimate of potential returns from concluded trade agreements and historical data on the level of returns.

The value of the provision for returns presented as a decrease in trade receivables amounts to:

<b>Period ended:</b>	<b>PLN value</b>
- 31.12.2024	(1 340 703)
- 31.12.2023	(1 660 709)

This provision has been created in accordance with the prudential principle and is updated at the end of each reporting period based on the analysis of the risk of returns.

#### Currency structure of short-term trade receivables and other receivables

	31.12.2024	31.12.2023
Receivables in the Polish currency	57 067 025	58 944 899
Receivables in foreign currencies	10 660 456	10 310 668
	<b>67 727 481</b>	<b>69 255 567</b>
	31.12.2024	31.12.2023
Receivables in EUR	7 935 384	8 787 366
Receivables in GBP	467 271	435 722
Receivables in USD	2 257 801	1 087 580
	<b>10 660 456</b>	<b>10 310 668</b>

The concentration of credit risk related to trade receivables is limited due to the large number of the Company's customers and their geographical dispersion, mainly in Polish.

#### Other receivables

In the financial year ended December 31, 2024, the Company made a change in the presentation of data in the statement of financial position in order to better reflect the economic nature of the transaction.

From the item "Trade receivables and other receivables", the item "Other receivables" has been separated, including, m.in others, prepayments for the supply of goods and tax receivables. The following assets were also transferred to "Other receivables":

- Advance payments for deliveries of goods – previously presented in the item "Inventories",
- Input VAT deductible in the next accounting period – previously presented in the item "Accruals"

The above reclassification has also been reflected in the comparative data as of December 31, 2023:

	December 31, 2023 (before reclassification)	change	December 31, 2023 (after reclassification)
<b>Reclassification:</b>			
<b>Current assets</b>			
Inventories	76 762 377	(73 467)	76 688 910
Trade receivables	68 301 676	(2 111 162)	66 190 514
Other receivables	-	3 065 053	3 065 053
Prepaid expenses	1 358 596	(880 424)	478 172
Cash and cash equivalents	265 033 957	-	265 033 957
<b>Total current assets</b>	<b>411 456 606</b>	<b>-</b>	<b>411 456 606</b>

The reclassification did not impact the financial result for any of the periods presented. It only affected the values presented in the statement of financial position and the cash flow statement (changes related to the items: receivables, inventories, and prepaid expenses).

## 7. Related party transactions

In the period covered by the financial statements, the Company entered into transactions with related parties. All transactions were executed on arm's length terms, in accordance with the arm's length principle, comparable to the terms used in transactions with unrelated entities.

<b>Receivables from loans granted</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Stella Pack S.A. – Poland	22 000 000	-
	<b>22 000 000</b>	-
<b>Trade and other receivables</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Sarantis Czech Republic s.r.o., Czech Republic	1 142 618	1 577 511
Gr. Sarantis SA, Greece	1 726 394	1 065 001
Sarantis Romania SA, Romania	2 584 098	3 564 826
Sarantis D.O.O., Serbia	487 852	380 467
Sarantis Bulgaria Ltd., Bulgaria	832 639	1 285 672
Sarantis Hungary Kft., Hungary	587 838	1 948 964
Sarantis Portugal LDA, Portugal	77 301	76 089
Ergopack LTD, Ukraine	1 163 115	1 014 113
Stella Pack S.A., Poland	644 593	-
	<b>9 246 448</b>	<b>10 912 643</b>
<b>Transitioanl accounts</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Stella Pack S.A., Poland	148 281	-
	<b>148 281</b>	-
<b>Liabilities for goods supplies</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Gr. Sarantis SA, Greece	10 835 815	2 911 846
Sarantis Hungary Kft, Hungary	8 054	-
Ergopack LTD, Ukraine	1 495 069	192 691
Polipak Sp. z o.o., Poland	53 224	2 352 490
Stella Pack S.A., Poland	3 303 720	-
	<b>15 695 882</b>	<b>5 457 027</b>
<b>Prepayment liabilities</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Sarantis D.O.O., Serbia	2 936 935	1 388 911
	<b>2 936 935</b>	<b>1 388 911</b>
<b>Other liabilities</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Gr. Sarantis SA, Greece	2 716 555	2 745 962
	<b>2 716 555</b>	<b>2 745 962</b>

<b>Liabilities due to loans received</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Sarantis D.O.O., Serbia	17 092 000	17 392 000
	<b>17 092 000</b>	<b>17 392 000</b>
<b>Sales revenue</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Sarantis Czech Republic s.r.o., Czech Republic	8 427 929	8 588 061
Gr. Sarantis SA, Greece	9 074 181	9 785 747
Sarantis Romania SA, Romania	13 005 701	16 400 989
Sarantis D.O.O., Serbia	11 731 754	10 161 425
Sarantis Bulgaria Ltd., Bulgaria	5 532 017	6 107 294
Sarantis Hungary Kft., Hungary	5 311 524	9 245 664
Sarantis Portugal LDA, Portugal	355 705	440 646
Ergopack LTD, Ukraine	2 643 762	4 452 717
Stella Pack S.A. Poland	1 149 880	-
	<b>57 232 453</b>	<b>65 182 543</b>
<b>Other income</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
GR Sarantis SA, Greece	-	3 800
Polipak Sp. z o.o. Poland	216 776	355 692
Sarantis D.O.O., Serbia	22 108	20 062
Stella Pack S.A. Polska	5 768 826	-
	<b>6 007 710</b>	<b>379 554</b>
<b>Financial income</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Polipak Sp. z o.o.- Poland - interest	-	3 823 092
Stella Pack S.A. - Polska - interest	1 976 787	-
	<b>1 976 787</b>	<b>3 823 092</b>
<b>Purchase of goods from related companies</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Sarantis Czech Republic s.r.o., Czech Republic	28 309	50 704
Gr. Sarantis SA, Greece	58 782 997	51 800 688
Sarantis Hungary Kft., Hungary	33 002	30 781
Sarantis D.O.O., Serbia	95 125	-
Polipak Sp. z o.o., Poland	34 795 380	29 187 438
Ergopack LTD, Ukraine	324 125	304 812
Stella Pack S.A., Poland	2 591 939	-
	<b>96 650 877</b>	<b>81 374 423</b>
<b>Other costs</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Gr. Sarantis SA, Greece	569 514	545 691
Polipak Sp. z o.o., Poland	24 761	-
Sarantis D.O.O., Serbia	47 088	225 262
Ergopack LTD, Ukraine	147 638	142 620
Stella Pack S.A., Poland	561 675	-
	<b>1 350 676</b>	<b>913 573</b>

<b>Finance costs</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Sarantis Skopje Macedonia - interests	804 692	729 137
Sarantis D.O.O., Serbia - interests	683 120	620 703
Gr. Sarantis SA, Greece - Loan guarantee costs	170 688	173 660
Gr. Sarantis SA, Greece - License fee Luksja	2 537 307	2 308 953
	<b>4 195 807</b>	<b>3 832 453</b>

## 8. Transitional accounts

	<b>31.12.2024</b>	<b>31.12.2023</b>
Subscriptions	26 052	7 163
Provision for interest on deposits	1 268	378 115
Licenses	88 884	-
Interest on a loan	148 281	-
Other	589 508	92 894
	<b>853 993</b>	<b>478 172</b>

## 9. Receivables from loans granted

	<b>31.12.2024</b>	<b>31.12.2023</b>
Loan granted to Stella Pack - long-term	22 000 000	-
	<b>22 000 000</b>	<b>-</b>

As at 31 December 2024, the Company has a receivable under a loan granted to its subsidiary Stella Pack S.A. in the amount of PLN 22 million. The loan was granted on market terms, with a repayment date of 28 February 2027.

## 10. Cash and cash equivalents

	<b>31.12.2024</b>	<b>31.12.2023</b>
Cash in hand	4 620	12 366
On bank accounts	12 155 102	264 937 406
On the accounts of the Company Social Benefits Fund	165 536	84 185
	<b>12 325 258</b>	<b>265 033 957</b>
	<b>31.12.2024</b>	<b>31.12.2023</b>
In Polish currency	11 609 884	263 553 160
In foreign currencies	715 374	1 480 797
	<b>12 325 258</b>	<b>265 033 957</b>
	<b>31.12.2024</b>	<b>31.12.2023</b>
Cash in EUR	707 184	1 472 254
Cash in USD	7 303	7 297
Cash in GBP	726	187
Cash in CNY	161	1 059
	<b>715 374</b>	<b>1 480 797</b>

Apart from the funds accumulated in a separate account of the Company Social Benefits Fund (CSBF), the Company does not have any cash to which access would be limited. The concentration of credit risk in relation to cash is limited.

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because the proceeds from sales are invested proportionally in different financial institutions. The company manages the Company's Social Benefits Fund funds on behalf of its employees, and the contributions paid are deposited in a separate bank account.

As of December 31, 2024. The Company had term deposits with a total value of PLN 7.9 million (and PLN 260.4 million as at 31.12.2023, respectively) deposited in domestic banks. The deposits were established in order to effectively manage surplus cash and are short-term in nature, with a maturity not exceeding 1 month from the balance sheet date. Deposits bear interest at market rates, ranging from 3-5% per annum. The funds accumulated as part of deposits are available after their maturity period, and the associated credit risk is assessed as low due to the reputation of the financial institutions in which they are invested.

## **11. Share capital and supplementary capital from the issuance of shares above their nominal value**

The share capital of Sarantis Polska S.A. as at December 31st, 2024 amounts to PLN 411,800,000 and consists of:

- 1,915,000 non-preferred registered shares of series A
- 1,135,000 non-preferred registered shares of series B
- 390,000 non-preferred registered shares of series C
- 1,000,000 non-preferred registered shares of series D
- 1,240,000 non-preferred registered shares of series E
- 11,000,000 non-preferred registered shares of series F
- 14,000,000 non-preferred registered shares of series G
- 10,500,000 non-preferred registered shares of series H

The sole shareholder of the Company is GR Sarantis S.A. with its registered office in Athens, Greece. The nominal value of one share is PLN 10.

On July 21, 2023, the Extraordinary General Meeting of Shareholders adopted a resolution to increase the share capital by PLN 105,000,000 – from PLN 306,800,000 to PLN 411,800,000 – through the issue of 10.5 million series H shares with a nominal value of PLN 10 each. The newly issued shares were fully subscribed for by the existing shareholder – GR Sarantis S.A. with its registered office in Athens. The capital increase was registered in the National Court Register on 20 February 2024.

Another capital increase took place on April 1, 2025, when a resolution was adopted to issue 2 million series I shares with a nominal value of PLN 10 each. The share capital was then increased by PLN 20,000,000. All newly issued shares were taken up by a sole shareholder.

As at December 31, 2024, the supplementary capital for the surplus of the issue value of shares over their nominal value amounted to PLN 1,055,603.

As at 31 December 2024, the value of the revaluation reserve amounted to PLN 1,851,607 and PLN 3,664,621 as at 31 December 2023, respectively. The change in the revaluation of capital results from the verification of the fair value of the property carried out as at the balance sheet date. The adjustment of the capital is related to the expenditures incurred for the purchase of the right of perpetual usufruct of land for ownership. The analysis showed that the buyout transaction did not affect the increase in the fair value of the property as at 31 December 2024. Therefore, the revaluation capital was adjusted accordingly.

**12. Retained earnings and capital restrictions**

	<b>31.12.2024</b>	<b>31.12.2023</b>
Retained earnings from previous years (supplementary capital)	22 625 604	17 877 731
Retained earnings from previous years (reserve capital)	112 173 947	117 133 552
Share-based reserves	225 187	74 858
Net profit or loss for the current period	36 816 128	44 788 268
	<b>171 840 866</b>	<b>179 874 409</b>

Pursuant to Article 396 of the Commercial Companies Code, the Company is obliged to create supplementary capital in the amount of at least 1/3 of the share capital, intended only to cover potential losses. For this purpose, the Company is obliged to allocate at least 8% of the net profit for a given financial year to the supplementary capital, until the required amount of capital is reached.

In accordance with the resolution of the General Meeting of Shareholders of June 17, 2024, the Company transferred to the supplementary capital the profit for 2022 in the amount of PLN 1,164,812 and the profit for 2023 in the amount of PLN 3,583,061.

Since 2010, the Company has been creating a reserve capital from the distribution of profit, intended for the payment of dividends. In 2024, the reserve capital was increased by the profit for 2023 in the amount of PLN 41,205,207. As at 31 December 2024, the value of the reserve capital amounted to PLN 112 399 134.

In 2024, the Company paid a dividend in the total amount of PLN 45,000,000. In 2023, no dividend was paid.

On 13 January 2025, a dividend of PLN 22,000,000 was paid. The dividend was paid from the reserve capital created from the profit for 2019 and partially from 2020.

**13. Proposed distribution of the company's profit for 2024**

The Management Board proposes that the net profit for 2024 in the amount of PLN 36,816,128 be distributed as follows: the amount of PLN 2,945,290, representing 8% of the profit, will be transferred to the supplementary capital, while the remaining part in the amount of PLN 33,870,838 will be transferred to the reserve capital.

**14. Provisions for employee benefits**

The entity creates a provision for future liabilities to employees due to one-off retirement severance pay, in accordance with the provisions of the Labour Code. This provision is an estimate of the future payments that the entity will be required to make to employees in connection with their retirement.

The amount of the provision is determined on the basis of actuarial valuations prepared by an external actuarial company.

As at 31 December 2024, the amount of the provision for retirement severance pay amounted to PLN 477,063 and as at 31 December 2023 the amount of PLN 321,962, respectively.

The following assumptions were taken into account when calculating the provision:

- discount rate: 5.9%

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- Salary growth forecast: 2.7%
- Expected employee turnover:
  - for people up to 40 years of age – 5%
  - for people aged 41 to 45 – 4%
  - for people aged 46 to 50 – 3%
  - for people over 50 years of age – 1%

The probability of death was based on mortality rates published by the Central Statistical Office (Life Expectancy 2023, Central Statistical Office, Warsaw, 2023);

## 15. Liabilities under loans, borrowings and other debt instruments

### Loan liabilities

On October 15, 2021, the Company received a long-term loan from Sarantis Serbia in the amount of EUR 4,000,000 with a maturity of October 15, 2024. On September 1, 2024, an annex to the agreement was signed, extending the repayment date until October 15, 2029.

As at 31 December 2024, the group loan liability amounted to PLN 17,092,000 (2023: PLN 17,392,000).

In the period from January 18, 2024 to December 05, 2024, the Company benefited from a loan granted by Sarantis-Skopje from Macedonia in the amount of EUR 5,000,000. The loan was repaid on December 5, 2024.

### Liabilities due to bank loans

At the end of the reporting period, the Company had multi-purpose bank lines for a total value of PLN 36,000,000, including available credit limits for a total value of PLN 29,000,000.

All loans and multi-purpose lines used by the Company are secured by a corporate guarantee or a surety agreement issued by GR Sarantis SA up to the full amount. Overdrafts bear interest at a variable interest rate based on the reference rate of WIBOR1M or EURIBOR1M/LIBOR1M plus the bank's margin.

As at 31 December 2024, there were no liabilities under bank loans. As of December 31, 2023, the value of the loans amounted to PLN 639.

## 16. Lease liabilities

Lease liabilities reflect the present value of future lease payments under long-term contracts that have been classified as leases under IFRS 16 and in relation to which the right to use non-current assets has been recognized.

Property, plant and equipment include right-of-use assets with the following carrying amount, which relate to the following classes of underlying assets, and which were subject to the following depreciation and amortization in 2024:

Underlying asset class	Initial value of the right of use	Depreciation of the right of use	Net value of right-of-use
		31.12.2024	31.12.2024
Buildings and structures	16 342 655	13 161 026	3 181 629
Machinery and equipment	96 299	46 147	50 152
Means of transport	5 274 521	623 658	4 650 863
<b>Total</b>	<b>21 713 475</b>	<b>13 830 831</b>	<b>7 882 644</b>

During 2024, the Company continued to lease office and warehouse space at the MLP logistics center located in Moszna-Parcela near Pruszków. The value of the right to use the assets as at 31 December 2024 amounted to PLN 3,181,629.

During 2024, the Company used passenger cars under rental agreements concluded with Arval Service Lease Polska Sp. z o.o. and LeasePlan Fleet Management Polska Sp. z o.o. The carrying amount of the right to use the assets on this account amounted to PLN 4,650,863 in total. In 2024, the entire car fleet was replaced.

During 2024, the Company continued to lease industrial printers with EBS Ink-Jet Systems Poland Sp. z o.o. The carrying amount of the right to use the assets on this account amounted to PLN 50,152 in total.

The outstanding future minimum lease payments as at the balance sheet date are:

<b>As of 31.12.2024</b>	Lease payments payable in the period:		
	up to 1 year	from 1 year to 5 years	Tota;
Leasing payments	4 458 841	4 473 484	8 932 325
Finance costs (-)	(320 755)	(240 268)	(561 023)
<b>Present value</b>	<b>4 138 086</b>	<b>4 233 216</b>	<b>8 371 302</b>

The Company does not recognize liabilities under short-term leases and leases with respect to which the underlying asset is of low value. In addition, the value of lease liabilities does not include contingent lease payments dependent on factors other than index or rate.

Total expenditure on lease agreements in the financial year ended 31 December 2024 amounted to:

	from 01/01/2024 to 31/12/2024	from 01/01/2023 to 31/12/2023
Repayment of lease liabilities	4 067 881	3 089 315
Interest Payment	351 270	240 289
<b>Total expenses</b>	<b>4 419 151</b>	<b>3 329 604</b>

## 17. Financial instruments

<b>Financial instruments by category:</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
<b>Loans granted and own receivables, including:</b>	<b>83 487 288</b>	<b>66 979 133</b>
Long-term loans	22 000 000	-
Trade receivables	60 396 947	66 190 514
Other receivables	1 090 341	788 619
Cash	12 320 638	265 021 591
	<b>95 807 926</b>	<b>332 000 724</b>
Trade liabilities	71 619 342	56 618 788
Other liabilities	47 861	35 279
Loan liabilities	17 092 000	17 392 639
Lease liabilities	8 371 302	7 111 756
	<b>97 130 505</b>	<b>81 158 462</b>

**18. Trade and other liabilities**

	<b>31.12.2024</b>	<b>31.12.2023</b>
Trade liabilities from related parties	18 412 438	8 203 002
Trade payables from other entities, including:	53 206 904	48 415 786
- <i>reverse factoring liabilities</i>	14 888 570	18 512 057
Other liabilities from related parties	2 936 935	1 388 911
Other liabilities to other entities	279 848	212 365
Special funds	54 104	14 395
	<b>74 890 229</b>	<b>58 234 458</b>

Trade liabilities are interest-free and usually settled within 60 - 120 days. The age structure of trade liabilities is as follows:

Year	Together	Unconditioned	<i>Expired</i>				
			< 30 days	30 - 60 days	60-90 days	90-120 days	> 120 days
<b>2024</b>	<b>71 619 342</b>	67 263 844	3 070 202	1 189 865	95 431	-	-
<b>2023</b>	<b>56 618 788</b>	54 246 440	1 922 842	316 739	3 216	-	129 551

**Supplier financing program (reverse factoring)**

The Company uses a supplier financing program carried out in cooperation with a financial institution (factor). The aim of this program is to make it easier for suppliers to access finance and to enable early payment for goods and services delivered. Participation in the program is voluntary, and contributors may join at their discretion at any time.

Liabilities to suppliers covered by the program are paid by the Company in full, in accordance with the original invoice payment date. The Factor does not charge the Company interest or fees on account of liabilities to suppliers covered by the program. Since the program does not modify the terms of the original trade liabilities, all amounts due to the factor are presented in the statement of financial position as liabilities to suppliers.

The carrying amount and payment dates of liabilities covered by supplier financing programs in force as at the balance sheet date are presented in the table below:

	<b>31.12.2024</b>	<b>31.12.2023</b>
<b>Carrying amount of financial liabilities</b>		
Presented under trade payables and other liabilities	14 888 570	18 512 057
– of which suppliers received payment from the bank as of 31.12.2024 / 31.12.2023	12 940 807	14 791 754
<b>Range of payment terms</b>		
Trade liabilities covered by the Supplier Financing Program (days from the invoice date)	60–120	60–120
Comparable trade commitments (days from invoice date)	14-120	14-120

### Currency structure of trade and other liabilities

	31.12.2024	31.12.2023
Liabilities in the Polish currency	29 676 381	21 765 100
Liabilities in foreign currencies	45 213 848	36 469 358
	<b>74 890 229</b>	<b>58 234 458</b>

	31.12.2024	31.12.2023
Liabilities in EUR	41 322 948	30 395 544
Liabilities in USD	2 794 548	2 751 610
Liabilities in GBP	1 096 352	3 322 204
	<b>45 213 848</b>	<b>36 469 358</b>

### Liabilities for other employee benefits

As at 31 December 2024, the Company identified an additional item in the Statement of Financial Position: "Liabilities under other employee benefits", which consists of payroll liabilities, provisions for unused holidays and payroll tax liabilities. As at 31 December 2024, the value of these liabilities amounted to PLN 1,877,428 and PLN 1,463,856 as at 31 December 2023, respectively.

### 19. Income tax liability

	31.12.2024	31.12.2023
Income tax liability	5 974 455	7 585 558
	<b>5 974 455</b>	<b>7 585 558</b>

### 20. Merger of business entities

#### Connection description

On 31 December 2024, the merger of Sarantis Polska S.A. with its registered office in Piaseczno (the "Acquiring Company") with Stella Pack Europe sp. z o.o. with its registered office in Piaseczno (the "Acquired Company") was registered in the National Court Register. The merger took place pursuant to Article 492 § 1 item 1 of the Commercial Companies Code by transferring all assets of the Acquired Company to the Acquiring Company.

#### Legal basis and accounting principles

The merger was carried out in a simplified procedure in accordance with Article 516 of the CCC. The reports of the management boards and the resolution of the General Meeting of the Acquiring Company were not required. The merger did not involve an increase in the share capital or the issuance of new shares.

The assets of the Acquired Company were measured at book value in accordance with the accounting policy adopted for the settlement of mergers of organizational units under common control.

When using the method based on book values, comparative data is not transformed. The Company assessed that such a method is the most appropriate due to the mode of merger, i.e. due to the takeover of the Acquired Company by its sole shareholder, i.e. the Acquiring Company.

Financial consequences of the merger:

As at the acquisition date, the book value of the assets and liabilities acquired from Stella Pack Europe Sp. z o.o. is as follows:

<b>Asset/Liabilities</b>	<b>PLN value</b>
Shares in Stella Pack S.A. (60%)	73 000 000
Cash	144 936
Trade receivables	4 788
Trade liabilities	(2 091)
Liabilities from loans from Sarantis Polska S.A.	(119 451 615)
<b>Net Asset Value of the Acquired Company</b>	<b>(46 303 982)</b>

The difference between the acquired assets and the company's liabilities increased the carrying amount of shares in Stella Pack S.A. The merger affected the balance sheet structure and the Company's financial results, which is reflected in this report.

As at the date of the merger, the receivables of Sarantis Polska S.A. under the loans granted to the acquired entity amounted to PLN 119,451,615 in total, of which PLN 9,879,775 constituted accrued interest for the period from 10.01.2024 to 31.12.2024. The amount of accrued interest was eliminated from the results of both the acquiring company and the acquired company; therefore the negative net asset value of the acquired entity amounted to PLN - 36,424,207 and was transferred to the value of shares in Stella Pack S.A.

The increase in the value of shares in Stella Pack S.A., which is of a non-cash nature, as at the date of the merger includes the following components:

Shares in Stella Pack S.A. (60%)	73 000 000
Negative net asset value of the acquired entity excluding interests	36 424 207
Transfer of the value of the acquired shares of Stella Pack Europe	25 878 749
<b>Together</b>	<b>135 302 956</b>

As a result of the merger, the Taking-over Company assumed all the rights and obligations of the Acquired Company. The merger did not involve an increase in the share capital or the issuance of new shares. The assets of the Acquired Company were measured at book value in accordance with the accounting policy adopted for the settlement of mergers of organizational units under common control.

Additional Disclosures

The merger was not subject to notification to the President of UOKiK. The companies do not own agricultural property. The merger does not provide for the granting of rights to particularly entitled persons or members of the management bodies.

This note contains all material information regarding the merger, in accordance with applicable accounting standards.

## 21. Sales revenue

The breakdown of sales revenue by type, category, geographic regions and distribution channels is as follows:

Revenue by type	01.01.2024 - 31.12.2024	%	01.01.2023- 31.12.2023	%
Revenues from the sale of goods	287 808 267	67%	291 423 810	68%
Product Revenue	141 109 646	33%	138 111 336	32%
Revenue from the sale of materials	1 072 835	0%	156 550	0%
	<b>429 990 748</b>	<b>100%</b>	<b>429 691 696</b>	<b>100%</b>
<b>Geographical breakdown</b>	<b>01.01.2024 - 31.12.2024</b>	<b>%</b>	<b>01.01.2023- 31.12.2023</b>	<b>%</b>
<b>Sales revenues - external customers</b>	<b>372 758 295</b>	<b>87%</b>	<b>364 509 153</b>	<b>85%</b>
Poland	363 663 399	85%	354 541 541	83%
EU	2 871 105	1%	1 628 976	0%
outside the EU	6 223 791	1%	8 338 636	2%
<b>Revenue from intra-group sales</b>	<b>57 232 453</b>	<b>13%</b>	<b>65 182 543</b>	<b>15%</b>
Poland	1 149 880	0%	-	0%
EU	41 643 836	10%	50 568 401	12%
outside the EU	14 438 737	3%	14 614 142	3%
	<b>429 990 748</b>	<b>100%</b>	<b>429 691 696</b>	<b>100%</b>
<b>Revenue by Distribution Channel</b>	<b>01.01.2024 - 31.12.2024</b>	<b>%</b>	<b>01.01.2023- 31.12.2023</b>	<b>%</b>
<b>Main distribution channels</b>	<b>361 699 259</b>	<b>84%</b>	<b>349 578 652</b>	<b>81%</b>
Modern	268 307 257	62%	255 133 499	59%
Traditional	93 392 002	22%	94 445 153	22%
<b>Other</b>	<b>68 291 489</b>	<b>16%</b>	<b>80 113 044</b>	<b>19%</b>
Intra-group sales	57 232 453	13%	65 182 543	15%
Export sales	9 094 896	2%	9 967 612	2%
Other sales	1 964 140	0%	4 962 889	1%
	<b>429 990 748</b>	<b>100%</b>	<b>429 691 696</b>	<b>100%</b>
<b>Revenue by category</b>	<b>01.01.2024 - 31.12.2024</b>	<b>%</b>	<b>01.01.2023- 31.12.2023</b>	<b>%</b>
Household Goods	206 107 718	48%	210 133 465	49%
Beauty & Skincare Products	181 693 399	42%	173 130 598	40%
Exclusive distribution agreements	36 379 641	8%	37 180 961	9%
Private Labels	5 489 892	1%	7 029 381	2%
Other	320 099	0%	2 217 291	1%
	<b>429 990 748</b>	<b>100%</b>	<b>429 691 696</b>	<b>100%</b>

In the year ended 31 December 2024, the Company generated sales revenues of PLN 429 991 thousand, which remains at a comparable level compared to the previous year, in which revenues amounted to PLN 429 692 thousand.

The sale includes both transactions with external entities and intra-group sales, in accordance with the transfer pricing policy in force in the Group. Revenues are recognized in accordance with IFRS 15 – at the time of transfer of control over the goods, in the amount of the remuneration that the Company expects in exchange for a given performance.

In the analyzed period, no significant changes were recorded in the assortment structure or distribution channels.

As at the end of the reporting period, the Company creates a provision for expected returns of goods resulting from sales made in a given reporting period. The provision is determined as an estimate of the value of goods whose return is expected in the next period, based on historical data and available current information. This amount is recognized as a decrease in sales revenues in the Statement of comprehensive income and as a decrease in trade receivables. In the subsequent period, the provision is reversed in connection with the actual returns.

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The value of provisions for returns, recognized in the item revenues, amounts to:

	<b>01.01.2024 - 31.12.2024</b>	<b>01.01.2023 - 31.12.2023</b>
Solution from the previous period	1 660 709	1 270 153
Formation at the end of the current period	(1 340 703)	(1 660 709)
<b>Together</b>	<b>320 006</b>	<b>(390 556)</b>

## 22. Other operating income

	<b>01.01.2024 - 31.12.2024</b>	<b>01.01.2023 - 31.12.2023</b>
Revenue from sales of other services	59 389	142 790
Gain on the disposal of fixed assets	16 089	6 346
Revenue from the provision of sales and marketing services	5 353 653	-
Compensation for complaints about goods	74 909	168 556
Reversal of impairment allowances on receivables	4 118	7 744
Reimbursement of court costs awarded	4 290	2 319
Due to inventory differences	120 279	211 166
Release of provisions	1 951 517	99 672
Other	212 428	19 355
	<b>7 796 672</b>	<b>657 948</b>

In 2024, the Company provided sales and marketing services to its related company – Stella Pack S.A. – in the field of sales and marketing of products included in its commercial offer. Revenues from the provision of these services amounted to PLN 5,353,653. The transactions were carried out on market terms.

## 23. Other operating expenses

	<b>01.01.2024 - 31.12.2024</b>	<b>01.01.2023 - 31.12.2023</b>
Decommissioning and inventory remediation costs	7 167 785	5 816 919
Costs related to changing product suppliers	21 000	164 150
Car rental costs	563 729	-
Impairment of inventories	145 045	486 600
Donations	140 630	1 610
Credit insurance	104 889	155 350
Impairment loss on receivables	1 438	106 689
Provision for retirement severance pay	155 102	94 342
Costs of providing sales and marketing services	5 353 653	-
Other	127 051	135 365
	<b>13 780 322</b>	<b>6 961 025</b>

## 24. Finance income and costs

	01.01.2024 - 31.12.2024	01.01.2023 - 31.12.2023
<b>Financial income</b>		
Interest on loans	1 976 787	3 823 092
Interest on receivables	5 791	3 237
Bank interest	947 257	9 734 057
Net foreign exchange differences	1 205 627	6 708 008
	<b>4 135 462</b>	<b>20 268 394</b>

	01.01.2024 - 31.12.2024	01.01.2023 - 31.12.2023
<b>Finance costs</b>		
Interest on liabilities	25 540	1 269
Bank interest	711	6 548
Interest on loans	1 487 812	1 349 840
Loan guarantees, commissions, fees	414 272	271 440
Lease interest	351 270	240 289
	<b>2 279 605</b>	<b>1 869 386</b>

## 25. Income tax

The main components of the tax burden for the years ended 31 December 2024 and 31 December 2023 are as follows:

	01.01.2024 - 31.12.2024	01.01.2023 - 31.12.2023
Current income tax	9 270 979	12 726 659
Origin/reversal of transient differences	37 015	(1 503 300)
<b>Income tax disclosed in comprehensive income</b>	<b>9 307 994</b>	<b>11 223 359</b>

The difference between the amount of tax disclosed in the statement of comprehensive income and the amount calculated according to the rate on profit before tax results from the following items:

	01.01.2024 - 31.12.2024	01.01.2023 - 31.12.2023
Profit before tax	46 124 122	56 011 627
Tax at the rate applicable in Poland of 19%	8 763 583	10 642 209
tax consequences of non-cost costs obtaining revenues	544 411	581 150
<b>Current tax</b>	<b>9 307 994</b>	<b>11 223 359</b>
<b>Effective tax rate</b>	<b>20,18%</b>	<b>20,04%</b>



## 26. Financial risk management

The Company's main objective in terms of market risk management is to reduce the volatility of cash flows and minimize potential economic losses resulting from events that may adversely affect its results.

### Credit risk

The Company monitors its exposure to credit risk on an ongoing basis. A creditworthiness assessment is carried out for all customers whose financing exceeds a certain amount. For some clients, the Company requires collateral in the form of a surety agreement. Some domestic and foreign receivables are insured with a reputable insurance company. In addition, receivables from contractors are regularly monitored by financial services. In the event of overdue receivables, in accordance with the applicable procedures, the sale is suspended and the debt collection procedure is initiated.

The Company is exposed to credit risk, understood as the risk of creditors defaulting on their obligations, which may result in losses. The maximum exposure to credit risk is PLN 60,396,947.

The age structure of trade receivables as at 31 December 2024 and 31 December 2023 is as follows:

			<i>Overdue receivables that have not lost their value</i>				
Year	Together	Not expired	< 30 days	30 - 60 days	60-90 days	90-120 days	> 120 days
2024	60 396 947	58 208 835	1 818 806	209 203	160 103	-	-
2023	66 190 514	66 166 609	23 905	-	-	-	-

As at 31 December 2024, 73% of trade receivables were receivables from the largest customers (drugstores, hypermarkets, supermarkets), 12% were receivables from wholesale and retail customers, and 15% were receivables from foreign customers.

In the opinion of the Management Board of the Company, there is no significant concentration of credit risk, as the Company has many customers. Receivables considered difficult to collect were covered by an impairment allowance.

Credit risk related to bank deposits in the amount of PLN 12,320,637 is considered immaterial because the Company deposits its cash in institutions with an established financial position.

As at 31 December 2024, the Company has a receivable under a loan granted to its subsidiary Stella Pack S.A. in the amount of PLN 22 million, with a repayment date of 28 February 2027. In the opinion of the Management Board, there is no significant credit risk related to the repayment of this long-term loan, due to the ownership control exercised. As at the balance sheet date, the subsidiary has a stable financial position and positive cash flows from operating activities, which confirms its ability to pay its liabilities to the parent company.

### Interest rate risk

The risk of changes in interest rates arises in connection with interest-bearing assets and liabilities. Fluctuations in interest rates affect both the amount of financial costs incurred by the Company and financial income. The increase in interest rates increases the financial costs incurred by the Company, in particular the cost of interest on loans.

The table below presents the sensitivity of the gross financial result to reasonably possible changes in interest rates, assuming that other factors remain unchanged:

*Interest rate risk*

<b>Variable interest rate liabilities</b>	Value of financial instruments In PLN	Average % rate in 2024	Impact on the financial result (Increase by 500 bps)	Impact on equity (500 bps up)	Impact on profit or loss (down 500 bps)	Impact on equity (500 bps decrease)
Average overdraft value in 2024	-	5,84%*	-	-	-	-
Maximum overdraft value usable	29 000 000	5,84%*	1 450 000	1 450 000	1 450 000	1 450 000

\* average WIBOR1M rate in 2024, amounting to 5.84%

The table above presents the impact of a change in WIBOR1M on interest costs for overdrafts, for the average value of the overdraft facility and the maximum value that can be incurred, assuming a change in WIBOR1M by 5% (500 bps).

*Risk of changes in exchange rates*

The main sources of currency risk to which the Company is exposed are transactions of purchase of goods denominated in currencies other than the functional currency of the Company. A significant part of the supply payables is denominated in foreign currencies, in particular in EUR, USD and GBP. Sales are conducted primarily in Polish zloty.

The table below presents the sensitivity of the gross financial result to reasonably possible fluctuations in the exchange rates of USD, EUR, GBP, CNY:

*Currency risk*

Item in the financial statements	Book value of financial instruments	Average exchange rate in 2024	Impact on the financial result (Increase by 20%)	Impact on equity (20% up)	Impact on the financial result (Decrease by 20%)	Impact on equity (20% decrease)
<b><u>Currency-denominated assets</u></b>						
Receivables in EUR	7 935 384	4,3065	1 587 077	1 587 077	-1 587 077	-1 587 077
Receivables in GBP	467 271	5,0868	93 454	93 454	-93 454	-93 454
Receivables in USD	1 229 148	3,9799	245 830	245 830	-245 830	-245 830
Cash in EUR	707 184	4,3065	141 437	141 437	-141 437	-141 437
Cash in USD	7 303	3,9799	1 461	1 461	-1 461	-1 461
Cash in CNY	161	0,5529	32	32	-32	-32
Cash in GBP	726	5,0868	145	145	-145	-145
<b><u>Liabilities denominated in currency</u></b>						
Liabilities in EUR	41 322 948	4,3065	-8 264 590	-8 264 590	8 264 590	8 264 590
Liabilities in USD	2 794 548	3,9799	-558 910	-558 910	558 910	558 910
Liabilities in GBP	1 096 352	5,0868	-219 270	-219 270	219 270	219 270
Together			-6 973 334	-6 973 334	6 973 334	6 973 334

*Liquidity risk*

The Company is exposed to liquidity risk resulting from the ratio of current liabilities to current assets. Operating activities are conducted on the assumption of maintaining a constant surplus of liquid cash and open credit lines.

The Company's receivables are analysed in Note 6, in accordance with the age structure, 96% are receivables not overdue as at 31 December 2024 and 100% as at 31 December 2023, respectively.

In the opinion of the Management Board, the carrying amount of financial assets and liabilities reflects their fair value. In the opinion of the Company's Management Board, the significant value of cash as at the balance sheet date, available credit lines and the Company's good financial standing mean that the liquidity risk should be assessed as insignificant.

The analysis of the maturity of trade liabilities as at 31 December 2024 and 31 December 2023 was as follows:

Year	Together	<i>Liabilities due in the period</i>					90-120 days	> 120 days
		Expired	< 30 days	30 - 60 days	60-90 days			
<b>2024</b>	<b>71 619 342</b>	4 355 498	31 791 595	29 950 439	5 185 942	335 867	-	-
<b>2023</b>	<b>56 618 788</b>	2 372 348	26 606 073	18 733 630	5 111 635	3 795 102	-	-

#### Price risk

Purchase prices of materials are an important element affecting the total profitability of the Company. Changes in the prices of purchased raw materials may be the result of global trends in demand for selected materials and exchange rates. Due to large fluctuations in the prices of raw materials on global markets and fluctuations in exchange rates, the Company's purchasing department conducts comparative analyses of purchases from various sources in order to determine whether to make purchases on the domestic market or abroad. It is one of the main tools for minimizing price risk. The company controls the profitability of individual products on an ongoing basis and, based on this data, takes actions related to the optimization of the purchase or sale price of products.

## **27. Capital management**

The primary objective of the Company's capital management is to maintain a good credit rating and safe capital ratios that would support the Company's operations and increase shareholder value.

The company manages the capital structure and makes changes to it as a result of changes in economic conditions.

In order to maintain or adjust the capital structure, the Company may change the payment of dividends, return capital to a shareholder or issue new shares.

In 2023, new series H shares were issued, which were taken up by the sole shareholder of the Company. The funds raised in this way will be used for investment purposes. On April 1, 2025, the Company issued series I shares, also taken up by the sole shareholder, from which the funds raised will be used to finance the investment in the expansion of the regranulation plant at Stella Pack S.A.

## **28. Contingent liabilities**

Title of the commitment	Value as at 31.12.2024	Value as at 31.12.2023	Expiry date
Guarantee issued to MLP Pruszków III Sp. z o.o. as security for performance of its obligations	284 700 EUR	284 700 EUR	31.12.2025 r.
Guarantee issued to the Director of the Tax Administration Chamber in Łódź securing the value of prizes for the promotional lottery "Lottery with Jan and Stella in Dino!"	250 323 PLN	-	28.08.2025
Guarantee for the repayment of a loan taken by GR. Sarantis S.A. by Sarantis Belgrade Ltd	EUR 9,000,000	-	10.05.2029

## 29. Tax settlements

Regulations on value added tax, corporate income tax, personal income tax or social security contributions are subject to frequent changes, as a result of which there is often no reference to established regulations or legal precedents. The current regulations also contain ambiguities that cause differences in opinions on the legal interpretation of tax regulations, both between state authorities and between state authorities and enterprises. Tax and other settlements (e.g. customs or foreign exchange) may be subject to inspection by authorities that are entitled to impose significant penalties, and the additional amounts of liabilities determined as a result of the audit must be paid with interest. These phenomena make the tax risk in Poland higher than usually existing in countries with a more developed tax system.

Tax settlements may be subject to audit for a period of five years, starting from the end of the year in which the tax was paid. As a result of the audits carried out, the Company's existing tax settlements may be increased by additional tax liabilities.

## 30. Reasons for the occurrence of differences between the balance sheet changes in certain items and changes resulting from the statement of cash flows

In connection with the change in the presentation of data for selected asset items, the Company has restated comparative data for the cash flow statement as follows:

<b>Cash flow item for the period 01.01.2023 - 31.12.2023</b>	<b>before the change</b>	<b>change</b>	<b>after the change</b>
(Increase) / decrease in inventory	15 656 321	73 467	15 729 788
(Increase) / decrease in trade receivables balance	1 437 064	2 111 162	3 548 226
(Increase) / decrease of the balance of other receivables	-	(3 065 053)	(3 065 053)
Change in transitional accounts	415 885	880 424	1 296 309
<b>Together</b>	<b>17 509 270</b>	<b>-</b>	<b>17 509 270</b>

The change was for presentation purposes only and does not affect:

- net cash flows from operating activities,
- total net cash flows,
- net financial result.

Comparative data restatement ensures that data are comparable across periods in accordance with IAS 1.

The following are the reasons for the differences between the changes in the balances of selected balance sheet items and the corresponding values shown in the cash flow statement:

	01.01.2024- 31.12.2024	01.01.2023- 31.12.2023
Carrying change in the value of interests in related parties	(244 920 088)	(214 220 000)
Assets acquired in connection with the merger with Stella Pack Europe – see Note 20	135 302 956	-
Conversion of a loan granted into shares in Polipak	-	84 000 000
<b>Cash expenditure on purchase of shares in related parties</b>	<b>(109 617 132)</b>	<b>(130 220 000)</b>
	01.01.2024- 31.12.2024	01.01.2023- 31.12.2023
Balance sheet change in non-current liabilities excluding provisions for employee benefits	225 862	(3 941 999)
Balance sheet change in current liabilities	16 191 285	(26 491 318)
Change in loan liabilities	300 639	(633)
Change in lease liabilities	(1 259 546)	3 055 269
Change in income tax liabilities	1 611 103	(7 585 558)
Change in investment commitments	(42 395)	(101 416)
<b>Change in liabilities in the statement of cash flows</b>	<b>17 026 948</b>	<b>(35 065 655)</b>
	01.01.2024- 31.12.2024	01.01.2023- 31.12.2023
Net carrying amount of property, plant and equipment sold	21 708	104 940
Gain/loss on disposal of property, plant and equipment	16 089	6 346
<b>Proceeds from the sale of property, plant and equipment, intangible assets</b>	<b>37 797</b>	<b>111 286</b>
	01.01.2024- 31.12.2024	01.01.2023- 31.12.2023
Book value of increases in property, plant and equipment, intangible assets	(3 997 682)	(1 565 764)
Change in investment commitments	42 395	101 416
<b>Expenditure on the purchase of fixed assets and intangible assets</b>	<b>(3 955 287)</b>	<b>(1 464 348)</b>
	01.01.2024- 31.12.2024	01.01.2023- 31.12.2023
Balance sheet change in cash and cash equivalents	(252 708 700)	223 797 705
Balance sheet change in bank deposits	260 350 000	(222 985 000)
<b>Change in cash and cash in the cash flow statement</b>	<b>7 641 300</b>	<b>812 705</b>

### 31. Employment structure

The average employment in the Company was:	01.01.2024- 31.12.2024	01.01.2023- 31.12.2023
Sales and marketing	111,94	83,37
Supply chain group and manufacturing	88,51	90,29
Administration	30,49	30,74
	<b>230,94</b>	<b>204,40</b>

### 32. Salary of key management personnel

Key executives include the Chief Executive Officer and directors and managers reporting directly to the Chief Executive Officer. Remuneration paid or payable to key members of the management staff for the performance of work in 2024 amounted to PLN 5,044,334 (in 2023: PLN 4,515,018, respectively).

Prepared by:  
Barbara Ostruszka

#### Performance Stock Awards Program (LTI)

Since 2023, the Group has been operating a Long-Term Incentive Plan (LTI), implemented in the form of a program for granting conditional shares of the parent company GR Sarantis S.A.

The key terms and conditions of the program are as follows:

- The program covers members of the Company's management
- The program consists of three independent cycles, each of which includes a three-year performance evaluation period. The value of shares granted within each cycle is treated as a separate consideration, because the acquisition of rights to shares in individual cycles is not related to each other.
- The total cost recognised during the vesting period is estimated based on the best available estimate of the value of the shares likely to be granted.
- After the end of each cycle, the benefit under the stock plan for participants will be settled through the Reserve Capitals that the company creates for this purpose.

The final value for the first and second cycles of the programme will be determined at the end of the third year of each cycle, based on the results for the years 2023-2025 (for the first cycle) and 2024-2026 (for the second cycle) respectively.

The Company recognized the cost for the year ended December 31, 2024 in the amount of PLN 225,187 (in 2023, the amount: PLN 74,858) with an appropriate increase in equity in the current year.

In 2024, there were no share-based payments or long-term employee benefits.

### **33. Other information**

#### **Information on the impact of the war in Ukraine and the impact of the macroeconomic environment on the Company's operations.**

The situation in Ukraine has stabilized compared to the end of February 2022, but it is still unpredictable, which is why the scale of the impact of this conflict remains difficult to estimate, which makes it impossible to realistically assess the potential economic consequences for Polish.

The Company does not have a significant involvement in commercial relations with business entities in Ukraine, Russia and Belarus, therefore the impact of the effects of the outbreak of war in Ukraine on the Company's financial results should be considered insignificant.

Recently, a stabilization of the macroeconomic situation in Poland has been observed, a decrease in inflation and an improvement in the predictability of energy prices. Therefore, the pressure for further tightening of monetary policy has eased, and the market expects the possibility of interest rate cuts. These factors may be conducive to the stabilization of demand and the conditions for doing business.

Taking into account the well-established market position and strong financial position of Sarantis Polska, we believe that the Company will be able to meet new challenges and respond appropriately in the dynamically changing economic reality.

### 34. Events after the balance sheet date

1. **Loan from Sarantis-Skopje**

On January 15, 2025, the Company received a loan of EUR 5,000,000 from Sarantis-Skopje, Macedonia. The loan repayment date is set for December 31, 2025.

2. **Dividend payment**

On 13 January 2025, the Company paid a dividend to a shareholder in the amount of PLN 22 million.

3. **Change in the Company's Management Board**

On February 6, 2025, a change in the Company's Management Board took place. The new composition of the Management Board is as follows:

- **Chairman of the Board** – Ioannis Bouras
- **Vice President of the Management Board** – Christos Varsos
- **Vice President of the Management Board** – Marek Modzelewski

4. **Contribution to the capital of Polipak**

On 14 February 2025, the Company paid Polipak the amount of PLN 10,615,000 as an additional payment to the capital.

5. **Signing of an agreement with MLP Pruszków VI**

On February 17th, 2025, an agreement was signed with MLP Pruszków VI sp. z o.o. for the construction and lease of a new distribution center. The new warehouse space with an area of 24,000 m<sup>2</sup> will allow for the dynamic development of our organization and reduce operating costs. Lease term: 10 years. The value of the contract amounts to approx. EUR 10 million.

6. **Issue of series I shares**

On April 1, 2025, the Company issued series I shares, which were subscribed for by the sole shareholder. The funds raised in the amount of PLN 20 million were used to increase the capital in Stella Pack S.A. in order to finance the planned investments.

### The Management Board of the Company:

**CEO**  
Ioannis Bouras

**Vice President  
of the Management Board**  
Christos Varsos

**Vice President  
of the Management Board**  
Marek Modzelewski