

SARANTIS BULGARIA EOOD

ANNUAL MANAGEMENT REPORT OF ACTIVITIES

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

31 DECEMBER 2025

ANNUAL REPORT OF SARANTIS BULGARIA EOOD

For the Year ended 31.12.2025

This report on the activities of Sarantis Bulgaria EOOD (the “Company”) covers the period from 01.01.2025 to 31.12.2025 and has been prepared in accordance with the provisions of Art. 39 of the Accountancy Act and Art. 247 of the Commerce Act.

1. Company info

Sarantis Bulgaria EOOD is a solely-owned limited liability company registered in the Register of Commercial Companies of the Sofia City Court with a decision dated 05.07.1994 under file number 13376/ in volume 223, page 92, lot 17912.

The owner of the Company is the legal entity GR. SARANTIS S.A. - Greece.

The registered office and management address of the Company is the city of Sofia, Mladost 4, 1 Business Park Sofia Street, building 12, entrance 1, floor 2.

The main activity of the Company includes: trade and distribution of perfumery and cosmetic products, household goods and those for facial and body care and personal hygiene products.

2. Financial position

2.1. Systematized financial information from the annual financial statements as of 31.12.2025

	2025 in thousands of BGN	2024 in thousands of BGN
Revenue from sales of goods	45,753	42,901
Gross profit before tax	7,646	7,216
Net profit for the period	6,845	6,470
Total assets	22,502	19,634
Share capital	4,756	4,756

As of 31.12.2025 the non-current assets of the Company are in the amount of BGN 2,263 thousand, including equipment, vehicles and other tangible assets in the amount of BGN 299 thousand, intangible assets in the amount of BGN 259 thousand, right-of-use assets in the amount of BGN 1,477 thousand, trade and other receivables in the amount of BGN 140 thousand and deferred tax assets in the amount of BGN 88 thousand. The Company does not own any real estate and uses rented buildings and warehouse space.

In 2025, the Company achieved an increase in revenue from sales of approximately 6.65% compared to the previous year, as well as a growth in net profit of 5.79%, reflecting a sustained expansion of commercial activity and higher sales volumes. Operating expenses were maintained at controllable levels, contributing to improved profitability, with profit before tax rising by 5.96%.

The Company preserved stable asset levels, with total assets increasing by 14.61% compared to the prior year, while the amount of share capital remained unchanged. The liquidity was sufficient to ensure the timely settlement of all obligations. Receivables and payables moved within normal ranges for the Company’s operations, and the Company continued to finance its activities without any changes to its capital structure.

2.2 Human resources and social policy. Workplace safety and security.

As of 31.12.2025 the Company employs 62 people under an employment relationship. The Company’s policy regarding wages of staff reflects the ability and skills of each individual employee. Remuneration levels are determined according to individual employment contracts based on responsibilities, duties and requirements, qualifications and work experience. In 2025, in order to improve work efficiency and stimulate the Company’s employees, a personnel evaluation and control system is implemented, as a result of which bonuses are distributed to actively worked employees. In order to optimize and facilitate the payment of remuneration, the same is done by bank transfer, while respecting the confidentiality of the information for each employee. In respect of personnel policy, the Company

ANNUAL REPORT OF SARANTIS BULGARIA EOOD

For the Year ended 31.12.2025

regularly performs recruitment and appointment of young and skilled workers from the region and the rest of the country.

A health service company has been hired, which conducts examinations to establish the health status of the staff. In addition, the following was implemented: training and testing of staff knowledge on ensuring safe working conditions, preventive control for compliance with occupational safety rules, risk assessment of all workplaces in the Company and constant search for options to reduce the risks. Ongoing briefings of employees on occupational safety and health rules are conducted. The maintenance and improvement of the professional qualifications of the staff is carried out periodically, both on site in the Company and in external organizations.

2.3. Financial instruments, financial risk and exposures

Sarantis Bulgaria EOOD mainly distributes its goods on the local market and generates revenue in BGN. Suppliers of the Company are mainly from countries of the European Union, generating liabilities in euro. Another part is from China and it generates liabilities in US dollars. Regarding liabilities in euros, the currency risk is minimal due to the fact that the lev has a fixed exchange rate against the euro, and regarding liabilities in US dollars - the currency risk from exchange rate differences for the period is insignificant.

The cash flows generated in 2025 were sufficient in volume not only to finance current operations, but also for dividend distribution.

The Company's credit risk in 2025 arises primarily from receivables from customers, with exposure to this risk resulting from the individual characteristics of individual customers. This exposure depends largely on the state of intercompany indebtedness in the domestic market in which the Company operates.

There are no pending lawsuits, claims for the initiation of bankruptcy proceedings, as well as decisions or requests for the termination of operations and liquidation against the Company. There are no pending administrative or arbitration proceedings, as well as decisions in the event of a merger, acquisition or restructuring.

3. Capital management

3.1. Amount of registered capital and changes:

There is no change in the ownership of the Company in 2025. The owner of the capital is the legal entity GR. SARANTIS S.A. - Greece.

3.2. Structure of the Company (branch offices, subsidiaries), related parties:

There are no branches of the Company in the country and/or abroad.

In 2025, the Company operates through a central office and warehouse in the city of Sofia, as well as through its offices in the city of Varna and the city of Plovdiv.

3.3. Policy of the Company

Maintaining a strong capital base is a fundamental policy of the Company in order to ensure conditions for the development of the company's activities in the future.

For the reporting year 2025, the Company is not subject to specific capital requirements imposed by contract or regulatory framework.

4. Significant events that occurred after the date of preparation of the financial statements:

In accordance with the Law on the Introduction of the Euro in the Republic of Bulgaria (LIERB), as of 1 January 2026 the euro becomes the official currency and legal tender in Bulgaria. The official exchange rate has been set at BGN 1.95583 for EUR 1.

The introduction of the euro as the official currency of the Republic of Bulgaria represents a change in the Company's functional (reporting) currency, which will be applied prospectively and does not constitute an event after the reporting period that requires adjustment to the financial statements for the year ended 31 December 2025.

The Company does not expect any material effects from the conversion of the opening balances into euro as at 1 January 2026 or from the process of changing its functional (reporting) currency.

ANNUAL REPORT OF SARANTIS BULGARIA FOOD

For the Year ended 31.12.2025

5. Forecast for the future development of the Company:

The Company plans to expand its existing activities in the country. The Company expects stable development in the FMCG sector, in which it will continue to operate within the next year.

6. Research and development activities

During the reporting year, the Company did not carry out any research and development activities.

7. Management responsibilities:

In accordance with Bulgarian legislation management prepares a management report and financial statements, which give a true and fair view of the financial position of the Company and of its financial results from operations and its cash flows in accordance with the applicable accounting framework.

For reporting purposes, the Company applies International Financial Reporting Standards (“IFRSs”) adopted by the European Union (“EU”).

The management confirms that it has acted in accordance with its responsibilities and that the financial statements for 2025 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

The management also confirms that in preparing this management’s report on activities it has presented truly and fairly the development and results of the Company's activities for the past period, as well as its condition and the main risks it faces.

Sofia
18.03.2026

Stefan Andreev,
General Manager



Sarantis Bulgaria EOOD

Financial Statements

For the year ended 31 December 2025

With independent Auditors' Report thereon

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SARANTIS BULGARIA FOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025

STATEMENT OF FINANCIAL POSITION

In thousands of BGN

	<i>Note</i>	31 December 2025	31 December 2024
Assets			
Property, plant and equipment	<i>10</i>	299	266
Intangible assets	<i>11</i>	259	268
Right-of-use assets	<i>21</i>	1,477	2,264
Trade and other receivables	<i>13</i>	140	151
Deferred tax assets	<i>9</i>	88	100
Non-current assets		2,263	3,049
Inventories	<i>12</i>	3,643	3,214
Trade and other receivables	<i>13</i>	11,763	10,283
Prepayments	<i>14</i>	30	38
Cash and cash equivalents	<i>15</i>	4,803	3,050
Current assets		20,239	16,585
Total assets		22,502	19,634
Equity			
Share capital		4,756	4,756
Reserves		95	45
Retained earnings		6,829	6,469
Total equity	<i>16</i>	11,680	11,270
Liabilities			
Lease liabilities	<i>21</i>	827	1,525
Retirement benefit obligation	<i>17</i>	88	88
Non-current liabilities		915	1,613
Lease liabilities	<i>21</i>	731	822
Trade and other payables	<i>18</i>	8,699	5,725
Tax payables	<i>19</i>	477	204
Current liabilities		9,907	6,751
Total liabilities		10,822	8,364
Total equity and liabilities		22,502	19,634

The notes on pages 5 to 35 are an integral part of these financial statements.

Stefan Andreev
General Manager

Nikola Genev
Finance Director

Diana Dishkova
Chief Accountant, Preparer

In accordance with an Independent Auditors' Report:

KPMG Audit OOD
Registered under No. 045 in the Register of the registered auditors.

Ivan Andonov
*Authorised Representative and Registered Auditor,
responsible for the audit*

SARANTIS BULGARIA FOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December

<i>In thousands of BGN</i>	<i>Note</i>	2025	2024
Revenue	4	45,753	42,901
Cost of sales	5	(26,919)	(24,890)
Gross profit		18,834	18,011
Selling and distribution expenses	6,6.1	(9,385)	(9,066)
Administrative expenses	6,6.1	(1,704)	(1,622)
Other income	7	49	51
Operating result		7,794	7,374
Finance income		4	4
Finance costs		(152)	(162)
Net finance costs	8	(148)	(158)
Profit before tax		7,646	7,216
Income tax expense	9	(801)	(746)
Profit for the period		6,845	6,470
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Actuarial (loss)/profit, net from taxes	9	(16)	(1)
Total comprehensive income for the period		6,829	6,469

The notes on pages 5 to 35 are an integral part of these financial statements.

Stefan Andreev
General Manager

Nikola Genev
Financial Director

Diana Dishkova
Chief Accountant, Preparer

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**SARANTIS BULGARIA FOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025**

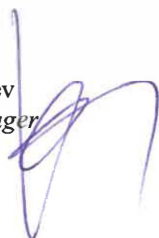
STATEMENT OF CHANGES IN EQUITY

In thousands of BGN

	Share capital	Reserves	Retained earnings	Total
Balance at 1 January 2024	4,756	15	5,411	10,182
Comprehensive income for the period				
Profit for the period	-	-	6,470	6,470
Other comprehensive income	-	-	(1)	(1)
Total comprehensive income for the period	-	-	6,469	6,469
Transactions with the sole owner accounted for within equity				
Dividends	-	-	(5,411)	(5,411)
Share-based payments	-	30	-	30
Total transactions with the sole owner	-	30	(5,411)	(5,381)
Balance at 31 December 2024	4,756	45	6,469	11,270
Balance at 1 January 2025	4,756	45	6,469	11,270
Comprehensive income for the period				
Profit for the period	-	-	6,845	6,845
Other comprehensive income	-	-	(16)	(16)
Total comprehensive income for the period	-	-	6,829	6,829
Transactions with the sole owner accounted for within equity				
Dividends	-	-	(6,469)	(6,469)
Share-based payments	-	50	-	50
Total transactions with the sole owner	-	50	(6,469)	(6,419)
Balance at 31 December 2025	4,756	95	6,829	11,680

The notes on pages 5 to 35 are an integral part of these financial statements.

Stefan Andreev
General Manager



Nikola Genev
Financial Director



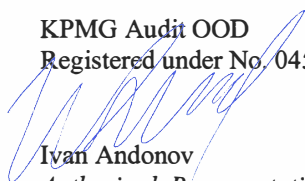
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**SARANTIS BULGARIA FOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025**

STATEMENT OF CASH FLOWS

For the year ended 31 December

In thousands of BGN

	<i>Note</i>	2025	2024
Cash flows from operating activities			
Cash received from customers		52,287	49,186
Cash paid to suppliers		(31,744)	(30,744)
Cash paid for employee compensations		(4,552)	(4,044)
Other taxes paid and recovered		(6,444)	(6,286)
Income taxes paid		(750)	(719)
Fees and commissions paid		(90)	(40)
Net cash from operating activities		8,707	7,353
Cash flows from investing activities			
Acquisition of property, plant and equipment and intangibles		(188)	(83)
Net cash used in investing activities		(188)	(83)
Cash flows from financing activities			
Dividends received		4	4
Dividends paid	<i>16</i>	(5,802)	(5,068)
Payment of lease liabilities	<i>21</i>	(884)	(1,020)
Interest paid	<i>21</i>	(84)	(125)
Net cash used in financing activities		(6,766)	(6,209)
Net change in cash and cash equivalents		1,753	1,061
Cash and cash equivalents at 1 January		3,050	1,989
Cash and cash equivalents at 31 December	<i>15</i>	4,803	3,050

The notes on pages 5 to 35 are an integral part of these financial statements.

Stefan Andreev
General Manager

Nikola Genev
Financial Director

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**SARANTIS BULGARIA FOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025**

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SARANTIS BULGARIA EOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS

1. Reporting entity

SARANTIS BULGARIA EOOD (the “Company”) is a solely-owned limited liability company, registered in the Register of Commercial Companies at the Sofia City Court with a decision of 05.07.1994 under case 13376/ in volume 223, page 92, lot 17912. The Company is registered in the Bulgarian Trade Register at the Bulgarian Registry Agency with ID code 831542220. The address of the Company’s registered office is Sofia, Mladost 4, ul. Business Park Sofia No 1, building 12, entrance 1, floor 2. The owner of the Company is the legal entity Gr. Sarantis S.A. The parent company, ultimate owner of a group of companies, part of which is Sarantis Bulgaria EOOD is Gr. Sarantis S.A. The main activity of the Company includes: trade and distribution activities with perfumery and cosmetic goods, household goods and those for the purpose of facial care, body care and personal hygiene products.

2. Basis of accounting

(a) Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), adopted by the EU (European Union). The financial statement have been authorized by the Company’s Management on 18 March 2026.

Details of the Company’s accounting policies are included in Note 3.

(b) Basis of measurement

The financial statements have been prepared in accordance with the historical cost basis, except for the liabilities on the defined benefit plan, measured at the present value of the obligation.

The methods used to determine fair values are disclosed in detail in Note 2 (e).

(c) Functional and presentation currency

These financial statements are presented in BGN, which is the Company’s functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

(d) Going concern

The financial statements of the Company are prepared under the assumption that the Company is a going concern and shall continue to operate in the foreseeable future.

(e) Use of estimates and judgments

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

SARANTIS BULGARIA EOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS

2. Basis of accounting (continued)

(e) Use of estimates and judgments (continued)

Judgements

The management considers that there are no significant judgments that are critical for the preparation of the financial statements and that have a material impact on the recognized assets and liabilities.

Assumptions and estimation uncertainties

The management considers that there is no uncertainty in the assumptions and estimates for which there is a significant risk that they will result in material adjustments in the next financial year.

(f) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The company has an established control framework with respect to the measurement of fair values. Management regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in that level of the fair value hierarchy, the input of which is relevant for the entire measurement. The Company recognises transfers between the levels of the fair value hierarchy at end of the reporting period during which the change has occurred .

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 20 – Financial instruments;

SARANTIS BULGARIA EOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS

3. Material accounting policies

(a) Revenue from contracts with customers

The main revenue that the Company generates relates to the sale of goods.

Revenue from the sale of goods, in the ordinary course of business, is recognised at the fair value of the consideration received, or expected to be received, less the goods returned, discounts or rebates. Revenue from the sale of goods is recognised at the time when there is compelling evidence, usually in the form of an executed sales contract, that control over the goods has been transferred to the buyer, it is probable that the consideration will be received, the associated costs and expected returns of goods can be reliably determined, there is no continued management involvement in the management of the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be provided and their value can be reliably measured, then discounts are recognised as a decrease in revenue when sales are recognised.

(b) Foreign currency transactions

Transactions in foreign currencies are translated to the Company's functional currency at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are recorded in the functional currency according to the closing rate at the date of the statement of financial position. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities denominated in foreign currencies that are measured at historical cost are translated to the functional currency at the exchange rate at the date of the transaction.. Exchange rate differences, arising from the retranslation in the functional currency are recognized in profit and loss.

The Bulgarian Lev (BGN) rate is fixed to the Euro (EUR). The applicable exchange rate is BGN 1.95583 / EUR 1.0.

SARANTIS BULGARIA EOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS

3. Material accounting policies (continued)

(c) Financial instruments

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual terms of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for sale, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. All financial assets that are not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at the FVOCI as at FVTPL if doing so eliminates or significantly reduces accounting mismatch that would otherwise arise.

SARANTIS BULGARIA EOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS

3. Material accounting policies (continued)

(c) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management’s strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company’s management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume, and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company’s continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company’s claim to cash flows from specified assets (e.g. non-recourse features).

SARANTIS BULGARIA EOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS

3. Material accounting policies (continued)

(c) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest (continued)

A prepayment feature is consistent with the solely payments of principal and interest criteria if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss, except for derivatives designated as hedging instruments for which hedge accounting is applied.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

SARANTIS BULGARIA EOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS

3. Material accounting policies (continued)

(c) Financial instruments (continued)

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The Company enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d) Share capital

Share capital

The registered capital is reported at its historical value upon registration

Dividends

Dividends are recognised as a liability in the period in which they are declared.

(e) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss. The cost includes all directly attributable costs of bringing the asset to a working condition for its intended use. If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items.

(ii) Subsequent expenditure

The cost of replacing a part of an item of property, plant and equipment is capitalized in the carrying amount of the items only if it is probable that the future economic benefit embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

SARANTIS BULGARIA EOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS

3. Material accounting policies (continued)

(e) Property, plant, and equipment (continued)

(iii) Depreciation

The depreciation is calculated based on the depreciable amount, which is the cost or other amount substituted for cost, less its residual value.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful life of an item of property, plant and equipment, as this reflects the expected pattern of consumption of the future economic benefits embodied in the assets.

The estimated useful lives of property, plant and equipment are as follows:

- plant and equipment – 3-5 years
- computers and printers– 3-5 years
- furniture – 3-7 years.

The methods, useful lives and residual values are reviewed at each reporting date and are adjusted if appropriate.

(f) Intangible assets

(i) Recognition and measurement

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit or loss as incurred.

(iii) Amortization

Amortization is calculated based on the amortizable amount, which is the cost or other amount substituted for cost, less its residual value.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets

The estimated useful lives of intangible assets are as follows:

- software – 3-20 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(g) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average principle and includes the purchase costs and the costs incurred in bringing inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the costs necessary to make the sale.

**SARANTIS BULGARIA FOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS**

3. Material accounting policies (continued)

(h) Impairment

(i) *Non-derivative financial assets*

Financial instruments and contract assets

The Company recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables (including lease receivables) and contract assets are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted with the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

SARANTIS BULGARIA EOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS

3. Material accounting policies (continued)

(h) Impairment (continued)

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individually significant customers, the Company has a policy of writing off the gross carrying amount, after considering all available facts and expectations.. Financial assets, that are written-off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due. Financial assets, which are not classified as FVTPL, are assessed at each reporting date to determine whether there is objective evidence for impairment.

(i) Employee benefits

(i) Defined contribution plans

The Government of Bulgaria is responsible for providing pensions in Bulgaria under a defined contribution pension plan. The Company's contributions to the defined contribution pension plan are recognized in profit or loss as incurred.

(ii) Defined benefit plan

The Company has an obligation to pay certain amounts to each employee who retires with the Company in accordance with Art. 222, § 3 of the Labour Code (LC). According to these regulations in the LC, when a labour contract of a Company's employee, who has acquired a pension right, is ended, the Company is obliged to pay him compensation amounting to two or six gross monthly salaries, depending on the employee's length of service

(iii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. The Company recognizes as a liability the undiscounted amount of the estimated costs related to annual leave expected to be paid in exchange for the employee's service for the period completed.

(j) Provisions

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Onerous contracts

A provision for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

SARANTIS BULGARIA EOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS

3. Material accounting policies (continued)

(k) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

The Company as a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

SARANTIS BULGARIA EOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS

3. Material accounting policies (continued)

(k) Leases (continued)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company presents right-of-use assets that do not meet the definition of investment property and lease liabilities as a separate line item in the statement of financial position.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Company as a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other revenue'. If an arrangement contains lease and non-lease components, then the Company applies IFRS 15 to allocate the consideration in the contract.

(l) Finance income and finance costs

Finance income comprises interest income on funds. Interest income or expense is recognized using the effective interest method.

Financial expenses comprise interest expense on borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method. Foreign currency gains and losses are reported on a net basis.

(m) Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years. The current corporate income tax is determined in accordance with the requirements of the Bulgarian tax legislation - the Corporate Income Tax Act. The nominal tax rate for 2025 is 10% (2024: 10%).

SARANTIS BULGARIA EOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS

3. Material accounting policies (continued)

(m) Income tax (continued)

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

(n) Government grants

The Company recognizes an unconditional government grant related to an asset in profit or loss as other income, when the grant becomes receivable. Grants that compensate the Company for expenses incurred are recognised in profit or loss as other income on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

**SARANTIS BULGARIA FOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS**

3. Material accounting policies (continued)

(o) Standards issued but not yet effective

The following new Standards, amendments to Standards and Interpretations, endorsed by the EC, are not yet mandatorily effective for annual periods beginning on 1 January 2025, and have not been applied in preparing these financial statements. The Company plans to adopt these pronouncements when they become effective.

Standards, Interpretations and amendments to published Standards that have not been early adopted – endorsed by the EC

a) IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024, effective from 1 January 2027)

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The major changes in the requirements are summarised below.

A more structured statement of profit or loss

IFRS 18 introduces newly defined ‘operating profit’ and ‘profit or loss before financing and income tax’ subtotals and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities: operating, investing and financing.

Under IFRS 18, companies are no longer permitted to disclose operating expenses only in the notes. A company presents operating expenses in a way that provides the ‘most useful structured summary’ of its expenses by either:

- nature;
- function; or
- using a mixed presentation.

If any operating expenses are presented by function, then new disclosures apply.

MPMs – Disclosed and subject to audit

IFRS 18 also requires some ‘non-GAAP’ measures to be reported in the financial statements. It introduces a narrow definition for Management Performance Measures (“MPMs”), requiring them to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and
- reflective of management’s view of financial performance.

For each MPM presented, companies need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

Greater disaggregation of information

The new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

Companies are discouraged from labelling items as ‘other’ and are required to disclose more information if they continue to do so.

Other changes applicable to the primary financial statements

IFRS 18 sets operating profit as a starting point for the indirect method of presenting cash flows from operating activities and eliminates the option for classifying interest and dividend cash flows as operating activities in the cash flow statement (this differs for companies with specified main business activities). It also requires goodwill to be presented as a new line item on the face of the balance sheet.

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Transition

In its annual financial statements prepared for the period in which the new standard is first applied, an entity shall disclose, for the comparative period immediately preceding that period, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented applying IFRS 18 and the amounts previously presented applying IAS 1.

- b) Annual Improvements Volume 11 (issued on 18 July 2024, effective from 1 January 2026)
- c) Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued on 18 December 2024, effective from 1 January 2026)
- d) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024, effective from 1 January 2026)

The Company expects that the amendments, when initially applied, would not have a material impact on its financial statements.

Standards and interpretations not yet endorsed by the EC

Management believes that it is appropriate to disclose that the following new or revised standards, new interpretations and amendments to current standards, which are already issued by the International Accounting Standards Board (IASB), are not yet endorsed for adoption by the EC, and therefore are not taken into account in preparing these financial statements. The actual effective dates for them will depend on the endorsement decision by the EC.

The following amendments and improvements to standards are not expected to have a material impact on the financial statements of the Company. IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024, effective from 1 January 2027);

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (issued on 13 November 2025, effective from 1 January 2027);

Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 21 August 2025, effective from 1 January 2027).)

SARANTIS BULGARIA FOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS

4. Revenue

(a) Revenue streams

In accordance with IFRS 15, The Company recognises revenue when it transfers control over the goods to a customer. Customers receive control over the goods at the time of the sale. Invoices are generated and the revenue is recognized at this point.

In cases where it is probable that a trade discounts will be provided and their amount can be reliably measured, then the discounts are recognised as a decrease in revenue when sales are recognised

Revenue of the Company is realized from sale of goods as follows.

<i>In thousands of BGN</i>	2025	2024
Revenue from sale of goods	45,753	42,901
	<u>45,753</u>	<u>42,901</u>

(b) Dissaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by type of products and geographical markets

<i>In thousands of BGN</i>	2025	2024
Types of goods		
Mass goods	35,117	34,733
Selective goods	10,636	8,168
	<u>45,753</u>	<u>42,901</u>

Primary geographic markets

Bulgaria	44,946	42,800
Outside of Bulgaria	807	101
	<u>45,753</u>	<u>42,901</u>

(c) Contract balances with clients

<i>In thousands of BGN</i>	Notes	31 December 2025	31 December 2024
Receivables included in "Trade and other receivables"	13	11,761	10,282

5. Cost of goods sold

<i>In thousands of BGN</i>	2025	2024
Cost of goods sold	(26,919)	(24,890)
Total	<u>(26,919)</u>	<u>(24,890)</u>

SARANTIS BULGARIA FOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS

6. Expenses by nature

<i>In thousands of BGN</i>	<i>Notes</i>	2025	2024
Expenses for materials		(946)	(1,083)
Expenses for hired services		(4,043)	(3,505)
Depreciation of property, plant and equipment	10	(109)	(101)
Amortization of intangible assets	11	(68)	(65)
Depreciation of right-of-use assets	21	(889)	(874)
Personnel expenses	6.1	(4,731)	(4,436)
Other expenses		(303)	(624)
Total		(11,089)	(10,688)

6.1 Employee benefit expenses

<i>In thousands of BGN</i>	2025	2024
Wages and salaries	(3,998)	(3,748)
Social securities and social benefits	(733)	(688)
Total	(4,731)	(4,436)

As of 31 December 2025 the Company has 62 employees on a labor contract. (2024: 83 employees on a labor contract.).

7. Other income

<i>In thousands of BGN</i>	2025	2024
Rental income	36	35
Grants from the state	2	2
Other	11	14
Total	49	51

The income from grants from the state relates to received compensation for electricity.

8. Net finance costs

<i>In thousands of BGN</i>	2025	2024
Dividend income	4	4
Finance income	4	4
Interest expense on lease liabilities	(84)	(125)
Other interest expense	-	-
Net foreign exchange loss	(42)	(12)
Bank fees	(26)	(25)
Finance costs	(152)	(162)
Net finance costs	(148)	(158)

SARANTIS BULGARIA FOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS

9. Income taxes

(a) Recognized in profit or loss

<i>In thousands of BGN</i>	2025	2024
Current tax expenses		
Current tax	(788)	(770)
Deferred tax		
Origination and reversal of temporary tax differences	(13)	24
Total tax expenses	(801)	(746)

(b) Reconciliation of the effective tax rate

<i>In thousands of BGN</i>	2025	2025	2024	2024
Profit before tax		7,646		7,216
Corporate tax based on domestic tax rate	10%	(765)	10%	(722)
Expenses not recognized for tax purposes	0.47%	(36)	0.33%	(24)
	10.47%	(801)	10.33%	(746)

(c) Recognised deferred tax assets and liabilities

<i>In thousands of BGN</i>	Assets		Liabilities		Net	
	2025	2024	2025	2024	2025	2024
Property, plant and equipment	1	3	-	-	1	3
Intangible assets	8	8	-	-	8	8
Right-of-use assets	-	-	(148)	(226)	(148)	(226)
Trade receivables	14	42	-	-	14	42
Employee benefits	22	19	-	-	22	19
Inventories	7	14	-	-	7	14
Lease liabilities	156	235	-	-	156	235
Other	28	5	-	-	28	5
Tax assets / (liabilities)	236	326	(148)	(226)	88	100

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FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS

9. Income tax expense (continued)

(d) Movement in deferred tax during the year

<i>In thousands of BGN</i>	Recognized in the:			Balance 31.12.2024
	Balance 01.01.2024	Profit and loss	OCI	
Property, plant and equipment	5	(2)	-	3
Intangible assets	3	5	-	8
Right-of-use assets	(294)	68	-	(226)
Trade receivables	38	4	-	42
Employee benefits	25	(6)	-	19
Inventories	-	14	-	14
Lease liabilities	298	(63)	-	235
Other	1	4	-	5
	76	24	-	100

<i>In thousands of BGN</i>	Recognized in the:			Balance 31.12.2025
	Balance 01.01.2025	Profit and loss	OCI	
Property, plant and equipment	3	(2)	-	1
Intangible assets	8	-	-	8
Right-of-use assets	(226)	78	-	(148)
Trade receivables	42	(28)	-	14
Employee benefits	19	1	2	22
Inventories	14	(7)	-	7
Lease liabilities	235	(79)	-	156
Other	5	23	-	28
	100	(14)	2	88

(e) Unrecognized deferred tax assets and liabilities

As of December 31, 2025 and December 31, 2024, the Company has no unrecognized deferred tax assets and liabilities.

SARANTIS BULGARIA FOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
NOTES TO THE FINANCIAL STATEMENTS

10. Property, plant and equipment

<i>In thousands of BGN</i>	Plant, equipment and computers	Fixtures, fittings and other	Total
Balance at 1 January 2024	443	332	775
Additions	59	-	59
Disposals	-	(1)	(1)
Balance at 31 December 2024	502	331	833
Depreciation			
Balance at 1 January 2024	(341)	(126)	(467)
Disposals	-	1	1
Depreciation for the year	(48)	(53)	(101)
Balance at 31 December 2024	(389)	(178)	(567)
Carrying amount at 31 December 2024	113	153	266
Balance at 1 January 2025	502	331	833
Additions	125	22	147
Disposals	(287)	(107)	(394)
Balance at 31 December 2025	340	246	586
Depreciation			
Balance at 1 January 2025	(389)	(178)	(567)
Disposals	287	102	389
Depreciation for the year	(60)	(49)	(109)
Balance at 31 December 2025	(162)	(125)	(287)
Carrying amount at 31 December 2025	178	121	299

There are no Company assets that are pledged as collateral. Also, there are no assets that are subject to restrictions on use by virtue of contractual or other relationships. During the year, there is no change in the expected useful life of assets. There are no indications for impairment of the Company's fixed tangible assets.

SARANTIS BULGARIA FOOD
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11. Intangible assets

<i>In thousands of BGN</i>	Asset under construction	Software	Total
Gross carrying amount			
Balance at 1 January 2024	-	782	782
Additions	-	10	10
Balance at 31 December 2024	-	792	792
Amortization			
Balance at 1 January 2024	-	(459)	(459)
Amortization for the period	-	(65)	(65)
Balance at 31 December 2024	-	(524)	(524)
Carrying amount at 31 December 2024	-	268	268
Gross carrying amount			
Balance at 1 January 2025	-	792	792
Additions	42	17	59
Disposals	-	(91)	(91)
Balance at 31 December 2025	42	718	760
Amortization			
Balance at 1 January 2025	-	(524)	(524)
Disposals	-	91	91
Amortization for the period	-	(68)	(68)
Balance at 31 December 2025	-	(501)	(501)
Carrying amount at 31 December 2025	42	217	259

12. Inventories

<i>In thousands of BGN</i>	31 December 2025	31 December 2024
Goods	3,542	3,051
Adjustment of the value of the goods to net realizable value	(75)	(142)
Goods in transit	176	305
Total	3,643	3,214

As of December 31, 2025 The Company does not own goods pledged as collateral.

13. Trade and other receivables

<i>In thousands of BGN</i>	31 December 2025	31 December 2024
Receivables from customers - gross amount before impairment	11,901	10,705
Expected credit losses on receivables from customers	(140)	(423)
Deposits granted under contracts with counterparties	140	151
Other receivables	2	1
Total	11,903	10,434
Non-current	140	151
Current	11,763	10,283
Total	11,903	10,434

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14. Prepayments

<i>In thousands of BGN</i>	31 December 2025	31 December 2024
Insurances	-	4
Subscriptions	26	31
Other	4	3
Total	30	38

15. Cash and cash equivalents

<i>In thousands of BGN</i>	31 December 2025	31 December 2024
Cash in bank accounts	4,499	2,653
Restricted cash	304	397
Total	4,803	3,050

16. Share capital

<i>In thousands of BGN</i>	31 December 2025	31 December 2024
Registered capital at 1 January	4,756	4,756
Registered capital at 31 December	4,756	4,756

The capital is 100% owned by Gr. Sarantis S.A

Profit and loss

The company distributes dividends and forms retained earnings in accordance with the requirements of the Bulgarian commercial legislation.

In 2025, with a decision of the Sole Owner of the capital, dividend in the amount of BGN 6,469 thousand was distributed, which is from retained earnings from previous years. In 2024, the distributed dividend is in the amount of BGN 5,411 thousand.

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17. Employee benefits

The Company has an obligation to pay certain amounts to each employee who retires in accordance with Art. 222, § 3 of the Labor Code (LC) in Bulgaria. According to these regulations in the LC, when a labor contract of an employee, who has acquired a pension right, is ended, the employer is obliged to pay to the employee compensations in the amount of two gross monthly salaries. In case the employee's length of service in the company equals to or is greater than 10 or more years, as at retirement date, then the compensation amounts to six gross monthly salaries. At the reporting date the management estimates the amount of the potential benefits for all employees

Movement in the present value of the defined benefit obligation

<i>In thousands of BGN</i>	2025	2024
Present value of liability at 1 January	88	100
Included in profit or loss		
Paid amounts in the period	(29)	(27)
Past service costs	-	-
Current service costs	9	11
Interest expenses	3	3
Included in other comprehensive income		
Actuarial (gain) / loss	17	1
Present value of liability at 31 December	88	88

Actuarial assumptions

The following are the main actuarial assumptions at the reporting date (expressed as weighted averages):

	2025
Discount rate at 31 December	3.93%
Future salary growth	5%

The assumptions regarding future life expectancy are based on published statistical data with information on mortality. The Mortality and Average Life Expectancy Table of the Population of Bulgaria for the period 2022–2024 of the National Statistical Institute was used

18. Trade and other payables

<i>In thousands of BGN</i>	31 December 2025	31 December 2024
Trade payables to suppliers	5,644	3,414
Personnel payables	301	140
Social securities payables	-	85
Dividend payables	2,754	2,086
Total trade and other payables	8,699	5,725

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19. Tax payables

<i>In thousands of BGN</i>	31 December 2025	31 December 2024
VAT payable	339	113
Corporate income tax	123	85
Other	15	6
Total tax payables	477	204

20. Financial instruments

Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk.

The Company's management has overall responsibility for identifying and managing the risks faced by the Company. This policy is setting the limits for taking risks by individual types, defines rules for risk control and compliance with the set limits. These policies are subject to regular review in order to identify changes in the risk for the Company.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk arises principally from receivables from customers. The exposure to credit risk is a result of the individual characteristics of individual customers. This exposure may also depend on a risk of non-payment inherent in the industry or the domestic market in which the Company operates.

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure at the reporting date was:

<i>In thousands of BGN</i>	31 December 2025	31 December 2024
Trade receivables	11,761	10,282
Cash and cash equivalents	4,803	3,050
	16,564	13,332

Impairment losses on receivables

Allowances for expected credit losses of trade receivables during the year are as follows:

<i>In thousands of BGN</i>	2025	2024
Allowance at January 1	423	375
Impairment losses recognized	66	48
Reversal of impairment	(349)	-
Allowance at December 31	140	423

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Translation from the original Bulgarian version, in case of divergence the Bulgarian original shall prevail

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20. Financial instruments (continued)

The aging structure of Company's trade receivables at the reporting date is:

<i>In thousands of BGN</i>	2025	2025	2024	2024
	Gross amount	Allowance	Gross amount	Allowance
Not past due	10,663	(5)	9,888	(28)
Up to 30 days past due	261	-	431	(48)
31-60 days past due	-	-	41	(2)
61-90 days past due	838	(6)	-	-
91-120 days past due	9	(2)	-	-
More than 120 days past due	130	(127)	345	(345)
	11,901	(140)	10,705	(423)

The Company's credit policy stipulates that each new customer's creditworthiness is assessed before standard delivery and payment terms are offered. For existing customers with whom the company has established commercial relations, credit limits have been introduced to control the issuance of goods to those customers for whom there are overdue payments. These limits are reviewed on a regular basis.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities when they become due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and extraordinary conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company is making financial planning to meet the payment of expenses and its current liabilities for a period of 30 days, including the servicing of financial liabilities. The Company has no loan agreements and is able to cover all its financial needs with cash generated by its operations.

The contractual maturities of financial liabilities are presented below:

<i>In thousands of BGN</i>	Carrying amount	Contractual cash flows	Up to 1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities at 31 December 2025						
Lease liabilities	1,558	1,625	778	732	115	-
Trade and other payables	8,699	8,699	8,699	-	-	-
	10,257	10,324	9,477	732	115	-

<i>In thousands of BGN</i>	Carrying amount	Contractual cash flows	Up to 1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities at 31 December 2024						
Lease liabilities	2,347	2,555	928	844	783	-
Trade and other payables	5,725	5,725	5,725	-	-	-
	8,072	8,280	6,653	844	783	-

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20. Financial instruments (continued)

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The Company operates in BGN, Euro and USD. Effective 1 January 1999, the Bulgarian Lev (BGN) rate is fixed to the Euro (EUR). The applicable exchange rate is BGN 1.95583 / EUR 1.0.

The Company's exposure to currency risk is not significant, as almost all of the sales are denominated in BGN and the purchases are primarily denominated in Euro. Regarding the liabilities in Euro, the currency risk is minimal due to the fact that the lev has a fixed exchange rate against the Euro.

Interest rate risk

The Company is not exposed to significant interest rate risk, as there are no interest-bearing financial instruments with variable interest.

Sensitivity analysis

A change in the base interest rates in the country or in the EU would not affect the Company's results due to the fact that it does not have significant interest-bearing financial instruments.

Fair values

The Company does not hold financial instruments measured at fair value as at 31 December 2025. Based on analysis performed, Management considers that the fair value of financial instruments that are not measured at fair value are reasonable approximations of their values

Capital management

There were no changes in the Company's capital management during the year.

The Company is not subject to externally imposed capital requirements.

SARANTIS BULGARIA FOOD
FINANCIAL STATEMENT FOR THE YEAR ENDING AT 31 DECEMBER 2025
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21. Leases

(a) The Company as lessee

The Company leases office space, warehouse and vehicles.

Lease of properties

The Company leases office space and a warehouse. The lease term is usually of 5 years. All lease agreements include only fixed payments and do not provide for variable lease payments, except for the annual indexation of the rental price according to a pre-approved methodology.

Other leases

The Company also leases vehicles. The leases are usually for a period of 4 years. One of the contracts has variable lease payments.

(b) Right-of-use assets

<i>In thousands of BGN</i>	Office space	Vehicles	Total
Cost			
Balance at 1 January 2025	2,782	1,320	4,102
Additions to right-of-use assets	123	265	388
Derecognition of right-of-use assets	(243)	(902)	(1,145)
Balance at 31 December 2025	2,662	683	3,345
Depreciation			
Balance at 1 January 2025	(1,173)	(665)	(1,838)
Depreciation for the year	(578)	(311)	(889)
Depreciation of derecognized right-of-use assets	197	662	859
Balance at 31 December 2025	(1,554)	(314)	(1,868)
Carrying amount 31 December 2025	1,108	369	1,477
Cost			
Balance at 1 January 2024	2,737	1,262	3,999
Additions to right-of-use assets	45	152	197
Derecognition of right-of-use assets	-	(94)	(94)
Balance at 31 December 2024	2,782	1,320	4,102
Depreciation			
Balance at 1 January 2024	(613)	(444)	(1,057)
Depreciation for the year	(560)	(314)	(874)
Depreciation of derecognized right-of-use assets	-	93	93
Balance at 31 December 2024	(1,173)	(665)	(1,838)
Carrying amount 31 December 2024	1,609	655	2,264

**SARANTIS BULGARIA FOOD
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NOTES TO THE FINANCIAL STATEMENTS**

21. Leases (continued)

(c) Lease liabilities

<i>In thousands of BGN</i>	2025	2024
Maturity analysis – contractual undiscounted cash flows		
Less than one year	778	928
One to five years	847	1,627
More than five years	-	-
Total undiscounted lease liabilities at 31 December	1,625	2,555
Lease liabilities included in the statement of financial position at 31 December		
Current	731	822
Non-current	827	1,525
Total	1,558	2,347

(d) Amounts recognised in profit or loss

<i>In thousands of BGN</i>	2025	2024
Interest on lease liabilities	84	125
Depreciation of right-of-use assets	889	874
	973	999

(e) Amounts recognised in statement of cash flows

<i>In thousands of BGN</i>	2025	2024
Total cash outflow for leases	(968)	(1,145)

22. Contingent liabilities

In 2025, no events occurred that would give the Company grounds to recognize contingent assets and liabilities.

23. Related parties

(a) Parent and ultimate controlling party

The Company is 100% owned by GR. SARANTIS S.A..

(b) Key management personnel

The company considers the General Manager to be key management personnel.

The total amount of accrued remuneration included in personnel costs is:

<i>In thousands of BGN</i>	2025	2024
Remuneration	290	262
Social securities	9	9
Share-based payments	50	30
	349	301

In 2023 a special bonus program has been introduced in the Company providing senior management employees with bonuses in the form of shares of the parent company GR. SARANTIS S.A.

SARANTIS BULGARIA EOOD
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23. Related parties (continued)

(c) Related party transactions

In thousands of BGN

	Transaction value for the year ended		Receivables / (Payables) from / to	
	31 December		31 December	
	2025	2024	2025	2024
<i>Sale of goods</i>				
GR. SARANTIS S.A.	-	13	-	-
SARANTIS ROMANIA S.A.	40	85	-	-
SARANTIS BELGRADE D.O.O	764	3	210	-
SARANTIS POLSKA S.A.	3	-	3	-
LENIDI BULGARIA EOOD	964	764	509	264
Total	1,771	865	722	264
<i>Purchases of goods and services</i>				
GR. SARANTIS S.A.	4,798	5,062	(269)	(207)
ERGOPACK LLC	72	49	-	-
SARANTIS ROMANIA S.A.	48	23	-	(11)
SARANTIS POLSKA S.A	1,019	2,512	(86)	(381)
POLIPAK SP Z.O.O	1,130	568	(67)	(69)
STELLA PACK S.A	1,548	171	(223)	(57)
SARANTIS CZECH REPUBLIC SRO	-	19	-	(10)
SARANTIS BELGRADE D.O.O	87	27	(75)	-
SARANTIS HUNGARY KFT	21	11	-	-
LENIDI BULGARIA EOOD	168	182	(17)	-
Total	8,891	8,624	(737)	(735)
<i>Dividend distributed</i>				
GR. SARANTIS S.A.	6,469	5,411	-	-
Total	6,469	5,411	-	-
<i>Dividend received</i>				
SARANTIS ROMANIA S.A.	4	4	-	-
Total	4	4	-	-

Terms of related party transactions

The outstanding balances at the end of the year are unsecured, interest-free and settled in cash. There are no guarantees given or received for receivables from or payables to related parties.

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24.Subsequent events

In accordance with the Law on the Introduction of the Euro in the Republic of Bulgaria (LIERB), as of 1 January 2026, the euro becomes the official currency and legal tender in Bulgaria. The official exchange rate has been set at BGN 1.95583 for EUR 1.

The introduction of the euro as the official currency of the Republic of Bulgaria represents a change in the Company's functional (reporting) currency, which will be applied prospectively and does not constitute an event after the reporting period that requires adjustment to the financial statements for the year ended 31 December 2025.

The Company does not expect any material effects from the conversion of the opening balances into euro as at 1 January 2026 or from the process of changing its functional (reporting) currency.

Independent Auditor's Report

To the sole owner of the capital of Sarantis Bulgaria EOOD

Opinion

We have audited the financial statements of Sarantis Bulgaria EOOD ("the Company") as set out on pages 1 to 35, which comprise:

- the statement of financial position as at 31 December 2025 and, for the year from 1 January 2025 to 31 December 2025:
- the statement of profit or loss and other comprehensive income
- the statement of changes in equity
- the statement of cash flows and
- notes, comprising material accounting policies and other explanatory information ("the financial statements").

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Bulgaria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the management report, prepared by management in accordance with Chapter Seven of the Accountancy Act, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Additional Matters to be Reported under the Accountancy Act

In addition to our responsibilities and reporting in accordance with ISAs, in relation to the management report, we have also performed the procedures added to those required under ISAs in accordance with the New and enhanced auditor's reports and auditor's communication Guidelines of the professional organisation of certified public accountants and registered auditors in Bulgaria, the Institute of Certified Public Accountants (ICPA). These procedures refer to testing the existence, form and content of this other information to assist us in forming an opinion about whether the other information includes the disclosures and reporting provided for in Chapter Seven of the Accountancy Act, applicable in Bulgaria.

Opinion in connection with Art. 37, paragraph 6 of the Accountancy Act

Based on the procedures performed, our opinion is that:

- The information included in the management report for the financial year for which the financial statements have been prepared is consistent with those financial statements.
- The management report has been prepared in accordance with the requirements of Chapter Seven of the Accountancy Act.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

KPMG Audit OOD

Registered under No. 045 in the Register of the registered auditors

45/A Bulgaria Boulevard
Sofia 1404, Bulgaria



Ivan Andonov

Authorised representative and registered auditor, responsible for the audit

Sofia, 30 March 2026