

**RAWLPLUG®**

**RAWLPLUG SA**

SEPARATE  
FINANCIAL STATEMENTS  
2023

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**100 YEARS OF EXPERIENCE**  
in fixings, fasteners  
and tools

## SEPARATE FINANCIAL STATEMENTS

### SELECTED FINANCIAL DATA

	01-12.2023 in PLN 000s	01-12.2022 in PLN 000s	01-12.2023 in EUR 000s	01-12.2022 in EUR 000s
Net revenue from sale of products, goods, materials and services	605 860	610 653	133 791	130 250
Operating profit (loss)	3 411	31 652	753	6 751
Gross profit (loss)	45 483	28 001	10 044	5 973
Net profit (loss)	47 477	21 677	10 484	4 624
Net cash flows from operating activities	4 003	(3 582)	884	(764)
Net cash flows from investing activities	53 939	(23 213)	11 911	(4 951)
Net cash flows from financing activities	(58 993)	27 192	(13 027)	5 800
Total net cash flows	(1 051)	397	(232)	85
Weighted average number of shares*	31 059 401	31 059 401	31 059 401	31 059 401
Profit (loss) per ordinary share (in PLN/EUR)	1,53	0.70	0,34	0.15

\* number of shares calculated on the basis of issued shares and adjusted by a weighted factor reflecting the period in which Treasury shares bought by RAWLPLUG S.A. existed

	At 31.12.2023 in PLN 000s	At 31.12.2022 in PLN 000s	At 31.12.2023 in EUR 000s	At 31.12.2022 in EUR 000s
Total assets	992 705	945 363	228 313	201 574
Non-current liabilities	296 514	346 897	68 195	73 967
Current liabilities	272 653	203 770	62 708	43 449
Equity	423 538	394 696	97 410	84 159
Share capital	31 059	32 560	7 143	6 943
Number of shares at the end of the reporting period*	31 059 401	31 059 401	31 059 401	31 059 401
Book value per share (in PLN/EUR)	13,64	12,71	3,14	2,71

\* number of shares calculated on the basis of issued shares less shares bought back by RAWLPLUG S.A.

## SEPARATE STATEMENT OF PROFIT AND LOSS

	At 31.12.2023	At 31.12.2022	Note
Revenue from sale of products, goods, materials and services	605 860	610 653	2
Cost of products, goods, materials and services sold	(436 054)	(424 161)	
<b>Gross profit (loss) on sales</b>	<b>169 806</b>	<b>186 492</b>	
Selling costs	(132 088)	(124 592)	
Administrative expenses	(33 040)	(32 283)	
Other operating revenues	12 429	17 282	4
Other operating expenses	(13 696)	(15 247)	4
<b>Operating profit (loss)</b>	<b>3 411</b>	<b>31 652</b>	
Finance income	81 178	27 001	5
Finance costs	(39 106)	(30 652)	5
<b>Gross profit (loss)</b>	<b>45 483</b>	<b>28 001</b>	
Income tax	1 994	(6 324)	20
<b>Net profit (loss)</b>	<b>47 477</b>	<b>21 677</b>	
<i>Net profit (loss) on continuing operations</i>	47 477	21 677	
<i>Net profit (loss) on discontinued operations</i>	0	0	
<b>Net profit (loss) per ordinary share:</b>			
<b>Basic</b>	1,53	0,70	
<i>Basic from continuing operations</i>	1,53	0,70	
<i>Basic from discontinued operations</i>	0	0	
<b>Diluted</b>	1,53	0,70	
<i>Diluted from continuing operations</i>	1,53	0,70	
<i>Diluted from discontinued operations</i>	0	0	

## SEPARATE STATEMENT OF COMPREHENSIVE INCOME

	At 31.12.2023	At 31.12.2022
<b>Net profit (loss)</b>	<b>47 477</b>	<b>21 677</b>
Items not transferable to profit or loss	0	0
Items transferable to profit or loss:	0	0
<b>Comprehensive income</b>	<b>47 477</b>	<b>21 677</b>

## SEPARATE STATEMENT OF FINANCIAL POSITION

	At 31.12.2023	At 31.12.2022	Note
<b>NON-CURRENT ASSETS</b>	<b>583 122</b>	<b>534 455</b>	
Intangible assets	24 863	11 992	7
Property, plant and equipment	151 990	131 124	8
Investment properties	3 049	3 352	9
Investment in subsidiaries	310 557	310 540	12
Other non-current financial assets	66 704	59 451	11
Non-current receivables and deferred revenue and accruals	5 308	3 324	14
Deferred income tax assets	20 651	14 671	20
<b>CURRENT ASSETS</b>	<b>409 583</b>	<b>410 908</b>	
Inventories	239 191	247 743	13
Current receivables and deferred revenue and accruals	141 453	119 262	14
Current income tax receivables	2 131	955	20
Other current financial assets	26 016	41 106	11
Cash and cash equivalents	792	1 843	15
<b>TOTAL ASSETS</b>	<b>992 705</b>	<b>945 363</b>	

	At 31.12.2023	At 31.12.2022	Note
<b>EQUITY</b>	<b>423 538</b>	<b>394 696</b>	
Share capital	31 059	32 560	16
Share premium	135 670	146 673	
Other reserves	69 181	69 181	16
Retained earnings	187 628	158 787	16
Treasury shares	0	(12 505)	16
<b>LIABILITIES</b>	<b>569 167</b>	<b>550 667</b>	
<b><i>Non-current liabilities</i></b>	<b><i>296 514</i></b>	<b><i>346 897</i></b>	
Loans and borrowings	259 182	320 130	18
Long-term leases	20 319	12 480	18
Trade and other payables	131	136	19
Deferred income tax provision	16 283	13 626	20
Employee benefit provisions	547	483	17
Liability provisions	52	42	17
<b><i>Current liabilities</i></b>	<b><i>272 653</i></b>	<b><i>203 770</i></b>	
Loans and borrowings	93 969	26 628	18
Short-term leases	10 756	11 981	18
Other current financial liabilities	51 143	42 956	18
Trade and other payables	114 838	120 203	19
Liability provisions	1 947	2 002	17
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>992 705</b>	<b>945 363</b>	

## SEPARATE STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Treasury shares	Other reserves	Retained earnings	Total equity
<b>Balance as at 01.01.2023</b>	<b>32 560</b>	<b>146 673</b>	<b>(12 505)</b>	<b>69 181</b>	<b>158 787</b>	<b>394 696</b>
<b>Changes in equity during the period 1 Jan - 31 Dec 2023</b>	0	0	0	0	28 841	28 841
Net profit for the period from 1 Jan to 31 Dec 2023	0	0	0	0	47 477	47 477
Total comprehensive income for the period	0	0	0	0	47 477	47 477
Dividend payment	0	0	0	0	(18 636)	(18 636)
Redemption of own shares	(1 501)	(11 004)	12 505	0	0	0
Other changes	0	1	0	0	0	1
<b>Balance as at 31.12.2023</b>	<b>31 059</b>	<b>135 670</b>	<b>0</b>	<b>69 181</b>	<b>187 628</b>	<b>423 538</b>

	Share capital	Share premium	Treasury shares	Other reserves	Retained earnings	Total equity
<b>Balance as at 01.01.2022</b>	<b>32 560</b>	<b>146 673</b>	<b>(12 505)</b>	<b>69 181</b>	<b>155 745</b>	<b>391 654</b>
<b>Changes in equity during the period 1 Jan - 31 Dec 2022</b>	0	0	0	0	3 041	3 041
Net profit for the period from 1 Jan to 31 Dec 2022	0	0	0	0	21 677	21 677
Total comprehensive income for the period	0	0	0	0	21 677	21 677
Dividend payment	0	0	0	0	(18 636)	(18 636)
Other changes	0	0	0	0	0	0
<b>Balance as at 31.12.2022</b>	<b>32 560</b>	<b>146 673</b>	<b>(12 505)</b>	<b>69 181</b>	<b>158 787</b>	<b>394 696</b>



## SEPARATE STATEMENT OF CASH FLOWS

CASH FLOWS FROM OPERATING ACTIVITIES	01-12.2023	01-12.2022
Gross profit	45 483	28 001
Adjustments:	(40 151)	(28 823)
Depreciation	15 246	13 404
(Gain) / loss on exchange differences	2 907	(1 105)
Interest costs	31 532	21 805
Interest income	(5 769)	(4 959)
Dividend income	(75 095)	(4 924)
(Profit) / loss on investing activities	6 817	(10 088)
Change in provisions	19	118
Change in inventories	8 552	(61 822)
Change in receivables	(19 315)	(14 960)
Change in liabilities	(5 045)	33 763
Other adjustments	0	(55)
Cash from operating activities	5 332	(822)
Income tax paid	(1 329)	(2 760)
<b>Net cash from operating activities</b>	<b>4 003</b>	<b>(3 582)</b>
CASH FLOWS FROM INVESTING ACTIVITIES	01-12.2023	01-12.2022
Purchase of property, plant and equipment and intangible assets	(23 122)	(21 329)
Proceeds from sale of property, plant and equipment and intangible assets	2 442	1 913
Acquisition of control over subsidiaries	(17)	(12 453)
Loans granted to related parties	(29 279)	(35 971)
Repayment of loans granted to related parties	27 005	38 113
Interest received from investing activities	1 797	1 285
Dividends received, classified as investing activities	75 095	4 946
Other investment inflows (outflows)	18	283
<b>Net cash used in investing activities</b>	<b>53 939</b>	<b>(23 213)</b>

CASH FLOWS FROM FINANCING ACTIVITIES	01-12.2023	01-12.2022
Proceeds from loans and borrowings incurred	52 068	119 233
Repayment of loans and borrowings	(41 631)	(43 186)
Repayment of lease liabilities	(16 748)	(12 264)
Dividend paid	(18 636)	(18 636)
Interest paid	(34 046)	(17 955)
<b>Net cash from financing activities</b>	<b>(58 993)</b>	<b>27 192</b>
<b>Change in cash and cash equivalents</b>	<b>(1 051)</b>	<b>397</b>
CASH AND EQUIVALENTS AT THE BEGINNING OF PERIOD	<b>1 843</b>	<b>1 446</b>
CASH AND EQUIVALENTS AT THE END OF PERIOD	<b>792</b>	<b>1 843</b>

## ADDITIONAL INFORMATION

### GENERAL INFORMATION

These separate financial statements cover the 12 months ended 31 December 2023. The comparative period covers the 12 months ended 31 December 2022.

The financial statements of RAWLPLUG S.A. are prepared on a going concern basis for a period of at least 12 months from 31 December 2023. At the same time there are no circumstances that would indicate a threat to the going-concern status of the Company.



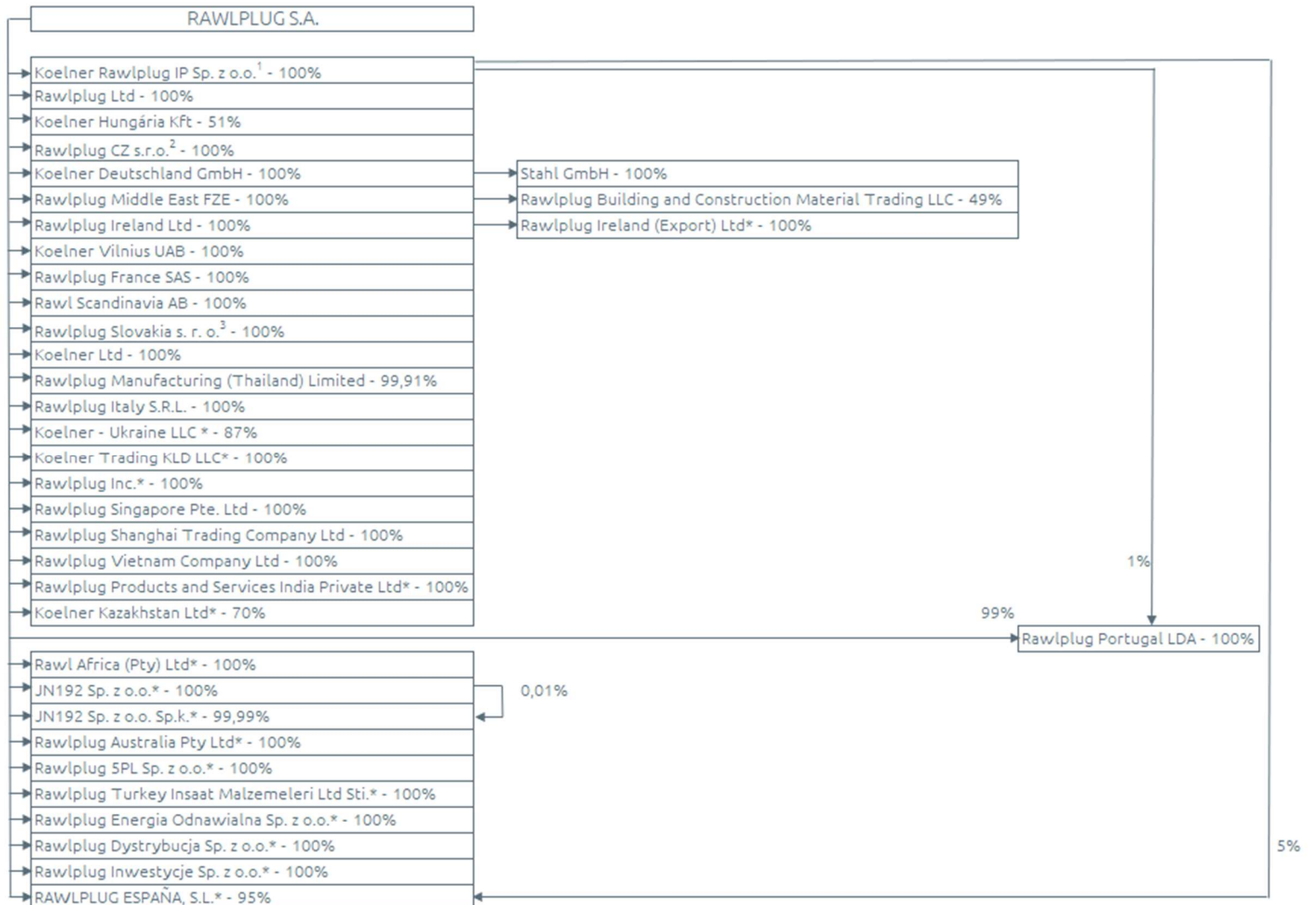
### INFORMATION ABOUT THE ISSUER

Company name	RAWLPLUG S.A.
Entity's registered office and address	ul. Kwidzyńska 6 51-416 Wrocław Poland
Register entity:	District Court for Wrocław-Fabryczna in Wrocław, 6th Commercial Division of the National Court Register
KRS number	0000033537
Core activity	<ul style="list-style-type: none"><li>- manufacture of builders' ware of plastic (PKD 22.23.Z)</li><li>- wholesale of building materials (PKD 46.73.Z)</li></ul>
Sector by WSE	metals industry

## CONSOLIDATED FINANCIAL STATEMENTS

RAWLPLUG Group prepares consolidated financial statements.

As of 31 December 2023, RAWLPLUG S.A. was the parent entity to the following companies:



\* companies not subject to consolidation as of 31 December 2023 (in accordance with IAS 1 point 31)

<sup>1</sup> - the company has a branch in Łańcut.

<sup>2</sup> before: Koelner CZ s.r.o.

<sup>3</sup> before: Koelner Slovakia s.r.o.

## CHANGES IN THE ORGANISATION

As of 01 January 2023, RAWLPLUG S.A. Group included the following companies in consolidation:

- Rawlplug Italy S.R.L. (100% of the share capital),
  - Rawlplug Portugal LDA (100% of the share capital),
  - Rawlplug Singapore Pte. Ltd (100% of the share capital),
  - Rawlplug Shanghai Trading Company Ltd (100% of the share capital),
  - Rawlplug Vietnam Company Ltd (100% of the share capital),
- which had been part of the Group before but had not been consolidated.

The comparative figures have not been converted due to the non-material impact of the data of these companies on the items of the consolidated financial statements.

On 9 August 2023, the subsidiary company based in Slovakia was renamed from Koelner Slovakia s.r.o. to Rawlplug Slovakia s. r. o.

On 24 August 2023, the Czech subsidiary was renamed from KOELNER CZ, s.r.o. to Rawlplug CZ s.r.o.

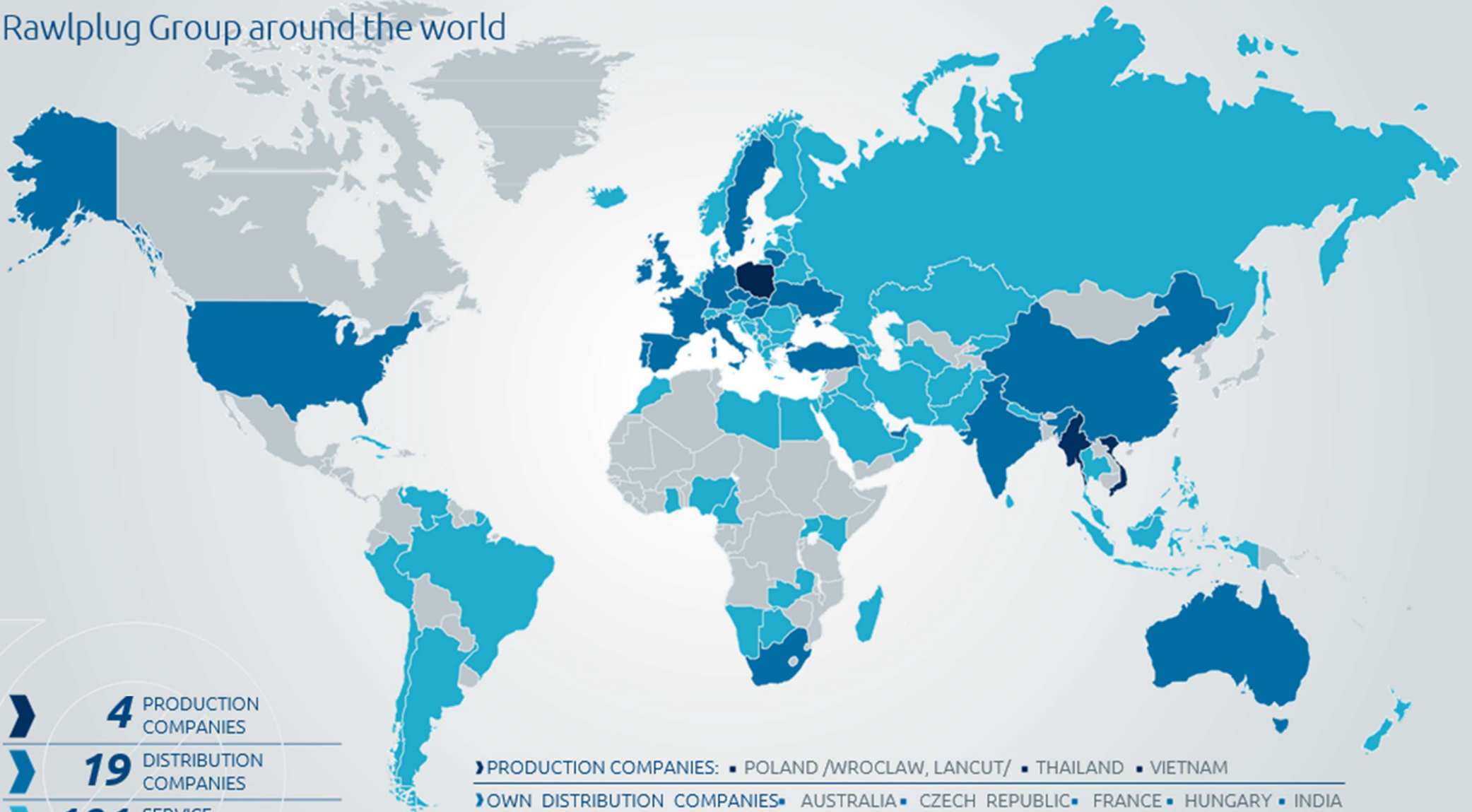
26 September 2023 saw the signing of resolutions intended to initiate the share capital increase period at Rawlplug Vietnam Company Limited. Legalisation procedures, required to complete the process, are underway.

On 7 November 2023, a subsidiary company operating under the official name Rawlplug ESPAÑA, S.L. was registered with the share capital of EUR 4,000. Its shares are held by RAWLPLUG S.A. (95%) and Koelner Rawlplug IP SP. z o.o. (5%).

In 2023, the Group decided to liquidate one of its two companies in Ireland, Rawlplug Ireland (Export) Ltd. The process started in 2023, full liquidation will take place in 2024 and will have no impact on the financial result.



## Rawlplug Group around the world



**4** PRODUCTION COMPANIES  
**19** DISTRIBUTION COMPANIES  
**101** SERVICE COMPANIES

» PRODUCTION COMPANIES: ■ POLAND /WROCLAW, LANCUT/ ■ THAILAND ■ VIETNAM

» OWN DISTRIBUTION COMPANIES ■ AUSTRALIA ■ CZECH REPUBLIC ■ FRANCE ■ HUNGARY ■ INDIA ■ ITALY ■ IRELAND ■ LITHUANIA ■ POLAND ■ PORTUGAL ■ RUSSIA ■ SLOVAKIA ■ SPAIN ■ SWEDEN ■ UNITED STATES OF AMERICA ■ TURKEY ■ UKRAINE ■ UNITED KINGDOM ■ UNITED ARAB EMIRATES

## COMPANY AUTHORITIES

### MANAGEMENT BOARD OF RAWLPLUG S.A.

Management Board composition in the period from 1 January 2023 to 31 December 2023 and as of the date on which this report was published:



#### **RADOSŁAW KOELNER**

**President of the Management Board, Rawlplug S.A.**

Graduate of the Faculty of Social Sciences at the University of Wrocław. With Rawlplug S.A. (formerly Koelner S.A.) since the beginning of his career. Via a combination of ambition and total commitment to the life and development of the company, he has managed to transform a family business into a globally successful international company. Since 1999, he has served as President of the Management Board of Rawlplug S.A. He considers implementing the sustainability concept as one of his organisation's strategic objectives.



#### **MAREK MOKOT**

**Vice-President of the Management Board, Rawlplug S.A.**

Graduate of the Faculty of Economics at the University of Gdańsk. Has been cooperating with Rawlplug S.A. since 2012, ever since involved with the branch in Łańcut as Managing Director and President of the Management Board of Koelner Łańcucka Fabryka Śrub. Since October 2012, he has also served as Member of the Management Board and Director of Operations at Koelner Rawlplug IP Sp. z o.o. The portfolio of companies in which he has held top management positions includes Gunnebo Industries Sp. z o.o. and Philips Lighting Poland S.A., and the beginnings of his career also include work for Port Gdynia S.A.



#### **PIOTR KOPYDŁOWSKI**

**Member of the Management Board, CFO, Rawlplug S.A.**

Graduate of the University of Economics in Wrocław. In 2000, he completed the Study for CFOs organised by the International Foundation for Capital Market Development and Ownership Transformation in Poland – Privatisation Centr. Has been with Rawlplug since 1998. From May 2007 to December 2008, he also served as President of the Śrubex S.A. (currently Koelner Rawlplug IP Sp. z o.o.). Since 2001, he was CFO and from 2008 he has been Member of the Management Board for finance at Rawlplug S.A.



All employees are involved in achieving the adopted strategic objectives, headed by the Management Board of Rawlplug S.A.

The Management Board members are guided by "Rawlplug Group's Code of Ethics," the company's mission and vision, its values and strategic objectives.

The structure of the company's governing bodies - the Management Board and the Supervisory Board - is diverse and primarily based on competences, experience, independence and the length of service of its members.

These criteria carry the most weight in the nomination and selection of candidates for the Management Board and Supervisory Board.

### SUPERVISORY BOARD OF RAWLPLUG S.A.

Composition of RAWLPLUG S.A.'s Supervisory:

	in the period from 01.01.2023 to 31.12.2023	of the date on which this report was published:
Krystyna Koelner	Chairperson of the Supervisory Board	
Tomasz Mogiński	Deputy Chairperson of the Supervisory Board	Deputy Chairperson of the Supervisory Board
Włodzimierz Frankowicz	Member of the Supervisory Board	Member of the Supervisory Board
Janusz Pajka	Member of the Supervisory Board	Member of the Supervisory Board
Zbigniew Stabiszewski	Member of the Supervisory Board	Member of the Supervisory Board
Anna Piotrowska-Kus	Member of the Supervisory Board	Member of the Supervisory Board

## RULES FOR PREPARING THE FINANCIAL STATEMENTS

### Basis for preparing the financial statements

These separate annual financial statements of RAWLPLUG S.A. cover the 12 months ended 31 December 2023 and are prepared in order to present the financial situation, results and cash flows in accordance with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and the associated interpretations published in the form of Commission Regulations.

The annual separate financial statements of RAWLPLUG S.A. were prepared on the assumption that the Company will continue as a going concern for the foreseeable future. At the date on which these separate financial statements were approved for publication, there were no material uncertainties regarding events or circumstances such as could give rise to serious concern about the Company's ability to continue as a going concern.

### Reporting currency, exchange rates used, rounding levels applied

The presentation and functional currency for these separate financial statements is PLN, and all amounts are expressed in PLN 000s (unless stated otherwise). Financial statements of the entities comprising the Group were translated into the presentation currency based on the principles specified in IAS 21.

Asset and equity and liability items in the statement of financial position have been converted into EUR at the average exchange rate of the National Bank of Poland (NBP) prevailing at the balance sheet date:

Currency	31.12.2023	31.12.2022
EUR	4,3480	4,6899

Items in the statement of comprehensive income, statement of profit and loss and statement of cash flows have been translated into EUR at an exchange rate that is the arithmetic mean of the average exchange rates set by the National Bank of Poland for EUR, in force on the last day of each completed month included in the period presented. The rates used for conversion are as follows:

Currency	01-12.2023	01-12.2022
EUR	4,5284	4,6883

### Date on which these financial statements were approved for publication

These financial statements were approved for publication by the Company's Management Board on 28 March 2024.





## Accounting principles

The following accounting rules and measurement methods were applied in these separate financial statements of RAWLPLUG S.A.:

### Accounting principles:

#### A. Basic principle

The Company applies the following basic accounting principles:

- principle concerning a credible depiction resulting from entries,
- principle concerning the priority of content over legal form,
- going concern principle,
- matching principle,
- prudent measurement principle, understood as prudent estimate principle,
- completeness principle.

#### B. Historic cost principle

The financial statements are prepared using the historic cost concept, except for the measurement of certain non-current assets and certain financial assets, which - according to IAS - are carried at fair value.

#### C. Management estimates and assumptions

The preparation of financial statements in accordance with IAS requires the management to make professional judgements, estimates and assumptions that affect the adopted accounting principles and the presented values of assets, liabilities, revenues and costs. Estimates and associated assumptions are based on previous experience and other factors that are acknowledged as rational in given circumstances and whose results provide a basis for professional judgement concerning the carrying amount of assets and liabilities that does not directly result from their sources. In certain significant issues, the

Management Board uses independent experts' opinions. The Management Board's estimates that have an impact on financial statements concern the following:

- expected periods of economic life of property, plant and equipment and intangible assets,
- impairment of assets,
- discount rates, expected growth in wages and actuarial assumptions used to calculate retirement pay provisions,
- future financial results used in testing for impairment of shares and goodwill,
- future tax results used in calculating deferred income tax assets.

The adopted approach to establishing estimated amounts is based on the management's best knowledge and is in accordance with IAS requirements. The approach to determine estimated amounts is used in a continuous manner in relation to the preceding reporting period.

#### D. Materiality principle

The Company assumes that the materiality principle as it concerns the value of individual events or the sum of events of a single type that can have an impact on credibly and clearly presenting the Company's asset and financial situation and financial results in accordance with IAS 1 par. 29-31.

### Measurement methods for assets and equity and liabilities

Measurement methods for assets and equity and liabilities are described in as far as they have or can have a material impact on the credibility and clarity of the Company's asset and financial situation and financial results. Other methods for measuring assets and equity and liabilities that are not included in the accounting policy are applicable in accordance with the relevant IASs and the best practices in international financial reporting.

## GOODWILL

Goodwill is calculated as the difference between two values:

- the sum of payments for control, non-controlling interests (measured in proportion to acquired net assets) and the fair value of interests in the acquired entity prior to the acquisition date, and

and

- the fair value of the acquired entity's identifiable net assets.

The excess of the sum calculated as above over the fair value of identifiable net assets of the acquired entity is recorded as goodwill in assets. Goodwill corresponds to the payment made by the acquirer in the expectation of future economic benefits deriving from these assets that cannot be separately identified or recognised. Subsequent to initial recognition, goodwill is measured at the purchase price less impairment. An impairment test is carried out once a year or more frequently if necessary. Goodwill is not subject to amortisation. In the event that the aforementioned sum is lower than the fair value of the acquired entity's identifiable net assets, then the difference is immediately recognised in the statement of profit and loss under other operating revenues.

## INTANGIBLE ASSETS

Intangible assets are carried at purchase price or - in the case of development works - cost to manufacture, less accumulated amortisation and impairment.

The following are considered intangible assets:

- costs of successfully completed development work, which will be used in production processes,
- acquired goodwill,
- acquired property and related rights, licences and concessions,

- acquired rights to inventions, patents, trademarks and trade patterns,
- know-how.

Intangible assets are amortised using the straight-line approach throughout the period of their economic life, as follows:

- acquired property rights, licences and concessions - no less than four years and no more than seven years,
- computer software - no less than four years and no more than seven years,
- other intangible assets - no less than four years and no more than seven years,

Intangible assets individually valued at no more than PLN 3 500 are amortised on a one-off basis as cost in the month following the month in which they are commissioned into use.

The costs of development works are not capitalised and are presented in the statement of profit and loss as costs in the period in which they are incurred.

An intangible asset created as a result of development work (or at the development work stage of an in-house undertaking) is recognised only when the entity is able to prove: - technical ability to complete the intangible asset so that it is fit for use or sale;

- intent to complete the intangible asset and use or sell it;
- ability to use or sell the intangible asset;
- way in which the intangible asset will generate likely future economic benefits;
- availability of appropriate technical, financial and other means intended to complete development work and use or sell the intangible asset;
- ability to credibly determine expenditures incurred during development work that can be attributed to the intangible asset.

The costs of development works are amortised on a straight-line basis throughout the expected period of economic life. If it is not possible to separate

an asset element produced internally, development costs are recognised in the statement of profit and loss in the period in which they are incurred.

Intangible assets in progress and advances for intangible assets are measured at nominal value, taking into account impairment.

Profit or loss arising on disposal / liquidation or cessation of the use of intangible assets is defined as the difference between proceeds from disposal and the net value of such intangible assets and is recorded in the statement of profit and loss.

#### PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment items are initially recognised at the purchase price or cost to manufacture. The purchase price is increased by all costs directly related to the purchase and adaptation of the asset for use. Subsequent to initial recognition, property, plant and equipment items are carried at the purchase price or cost to manufacture less depreciation and impairment.

Depreciation is calculated on a straight-line basis for all property, plant and equipment except for land and tangible assets under construction throughout their economic lives, which are as follows for each tangible asset group:

- buildings and facilities - no less than 10 years and no more than 40 years,
- equipment and machinery (excluding computer software) - no less than one year and no more than 20 years,
- computer equipment - no less than two years and no more than four years,
- means of transport - no less than two years and no more than 12 years,
- other tangible assets - no less than two years and no more than 10 years.

Property, plant and equipment individually valued at no more than PLN 3 500 are amortised on a one-off basis as cost in the month following the month in which they are commissioned into use. Tangible assets may be subject to depreciation if a single purchase of such asset items does not exceed PLN 3 500 in total.

Tangible assets under construction intended for manufacturing, leasing, administrative or undefined purposes are presented in the statement of financial position at cost of manufacture, less impairment. The

cost of manufacture is augmented by fees and - in some cases - by borrowing costs. Depreciation concerning this type of asset commences the moment it is commissioned, in accordance with rules pertaining to internally-produced tangible assets.

Advances for tangible assets under construction are measured at nominal value, taking into account impairment.

The gain or loss on selling/liquidating or retiring property, plant and equipment is the difference between proceeds from the sale and the net value of this property, plant and equipment, and is recognised in the statement of profit and loss.

#### LEASING

A contract is a lease or contains a lease if it transfers the right to control the use of an identified asset for a given period of time in exchange for a consideration. At initial recognition, the Company recognises a right-of-use asset and a lease liability.

##### Lease assets

at the initial recognition of a lease, right-of-use assets are measured at cost, which includes:

- the amount of initial measurement of the lease liability;
- all lease payments paid at or prior to the commencement date, less all lease incentives received;
- all initial direct costs incurred by the lessee;
- an estimate of the costs to be incurred by the lessee in connection with the disassembly and removal of the underlying asset, conducting a renovation of the place at which it was located or renovating the underlying asset to the state required by the lease terms.

Subsequent to the inception date, the Company measures the right-of-use asset at cost less total depreciation and total impairment losses and any adjustments to the value of the lease liability.

The Company amortises the right-of-use asset on a straight-line basis from the inception date to the end of the use term for the right-of-use asset or until the

end of the lease term, whichever of these dates is sooner. If warranted, right-of-use assets are tested for impairment in accordance with IAS 36.

#### Lease liabilities

At the inception date, the lessee measures the lease liability as the present value of outstanding lease payments, using the lease interest rate, if it can be easily determined. Lease payments are discounted using the lease's interest rate, if this can be determined. Otherwise, the lessee's residual interest rate is applied.

A lease liability includes the following payments:

- fixed lease payments (including generally fixed lease payments), less any lease incentives due;
- variable lease payments that depend on an index or rate, initially measured using this index or rate in accordance with their value at the lease inception date;
- amounts that are expected to be paid by the lessee under a guaranteed residual value;
- the exercise price of a buy option if it can be expected with sufficient certainty that the lessee will exercise this option;
- cash penalties for terminating the lease if during the lease the lessee exercises lease termination.

After the lease inception date, the value of a lease liability is increased in order to reflect interest on the lease liability, decreased in order to take into account lease payments made and updated in order to account for any re-measurements or changes of the lease.

The Company includes these lease components in the measurement of a right-of-use asset and a lease liability. Other non-lease components such as payments for utilities are recognised separately in accordance with rules applicable to such payments.

The Company applies the practical expedients permitted under IFRS 16 concerning short-term leases and leases of underlying assets that are of low value. In reference to such contracts, instead of recognising a right-of-use asset and a lease liability, lease payments are recognised in profit or loss on a straight-line basis throughout the lease term.

The Company presents right-of-use assets in the same lines in the

statement of financial position as the underlying assets.

#### NON-CURRENT INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

Subsidiaries are entities that the Company controls. The Company measures investments in subsidiaries at the purchase prices less impairment. Transaction costs related to the acquisition of an investment increase the investment's balance sheet value.

Acquisition prices of shares expressed in foreign currencies are recorded in the accounts as at the transaction date, at the average exchange rate for that currency published by the National Bank of Poland for the preceding day. Testing shares for impairment is conducted using the discounted cash-flow method, using financial budgets prepared by the subsidiaries' leadership for the subsequent year and estimated forecasts for the subsequent four years. Associates are entities over which the Company exerts significant influence but does not control them. Investments in associates are measured at the purchase price less impairment.

#### OTHER NON-CURRENT INVESTMENTS

Properties, intangible assets and other investments other than financial assets classified as non-current assets and not used by the Company but purchased in order to obtain economic benefits resulting from growth in the value of these assets or income or other benefits - are measured at purchase price, less impairment.

#### NON-CURRENT ASSETS HELD FOR SALE

Non-current assets classified as held for sale and groups of net assets held for sale are measured at the lower of: carrying amount and fair value, less costs to sell. Certain non-current assets classified as available for sale, such as financial assets or deferred income tax assets, are measured using the same accounting rules as those applied by the Company prior to them being classified as available-for-sale non-current assets. Non-current assets classified as available-for-sale are

not depreciated.

Non-current assets and groups of net assets are classified as held for sale if it is more likely that their carrying amount will be recovered through a sale rather than through further use. This condition is considered as having been met only when an asset (or a group of net assets held for sale) is available in its current condition for immediate sale, and the transaction may be expected within one year from the change in classification.

#### BORROWING COSTS

Borrowing costs are directly connected with the purchase or manufacture of assets, which are recorded as costs of manufacture of such tangible assets until they are commissioned. These costs are reduced by revenue generated from temporary investment of funds obtained to manufacture a given asset. All other borrowing costs are recorded directly in the statement of profit and loss in the period in which they are incurred.

#### FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised in the balance sheet at the moment when the Company becomes party to a binding agreement.

At initial recognition, the Company measures financial assets at fair value, i.e. typically according to the fair value of the payment made. The Company includes transaction costs in the initial measurement of all financial assets, with the exception of assets at fair value through profit or loss. An exception to this rule is trade receivables, which the Company measures at transaction price in the meaning of IFRS 15, although this does not apply to items of trade receivables with payment deadlines in excess of one year and those that contain a significant financing component in accordance with the definition in IFRS 15.

For measurement subsequent to initial recognition, financial assets other than hedging derivatives, the Company classifies as:

- financial assets at amortised cost,
- financial assets at fair value through profit or loss.

A financial asset is measured at amortised cost if both of the following

conditions are met (and it was not designated at initial recognition for measurement at fair value through profit or loss):

- the financial asset is held in accordance with a business model the aim of which is to hold financial assets to obtain contractual cash flows,
- contractual terms concerning the financial assets give rise to cash flows on specified dates, which include only the repayment of principal and interest on outstanding nominal value.

The Company classifies the following as financial assets at amortised cost:

- loans,
- cash,
- trade and other receivables (except for trade and other receivables that do not fall under IFRS 9).

These classes of financial assets are presented in the statement of financial position divided into non-current assets and current assets under the items 'Receivables and prepayments' and 'Other financial assets.'

Current receivables are measured at the amount payable due to the insignificant effect of discount adjusted by appropriate impairment losses on doubtful receivables.

The Company does not present interest income in a separate item, due its immaterial amounts, rather recognising it as finance income. Other gains and losses on financial assets, including exchange differences, are presented as either finance income or finance costs.

A financial asset is measured at fair value through profit or loss if it does not meet the criteria for measurement at amortised cost or at fair value through other comprehensive income and it is not an equity instrument designated at initial recognition as measured at fair value through other comprehensive income. The Company also classifies in this category financial assets designated at initial recognition as measured at fair value through profit or loss if they meet the criteria specified in IFRS 9.

The Company also classifies in this category all derivative instruments

recognised in the statement of financial position. Instruments belonging to this category are measured at fair value and the effects of measurement are recognised in profit or loss under 'Finance income' or 'Finance costs,' respectively.

Gains and losses on the measurement of financial instruments are determined by changes in the fair value determined on the basis of prices on an active market as at the balance sheet date or using measurement methods if no active market exists.

Financial assets classified as measured at amortised cost are subject to verification in terms of credit risk at each balance sheet date. The Company applies a simplified approach to trade receivables and has built a model for estimating expected losses on a portfolio of receivables throughout the life-cycle. Impairment estimates are done on a group basis, and receivables are grouped by period past due. Impairment estimates are mainly based on historic past due episodes and recovery rates.

Financial liabilities other than hedging derivatives are recognised in the following items of the statement of financial position:

- loans and borrowings,
- other financial liabilities,
- trade and other payables, and
- leases.

At the purchase date the Company measures financial liabilities at fair value, i.e. typically according to the fair value of the payment received. The Company includes transaction costs in the initial measurement of all financial liabilities, with the exception of liabilities at fair value through profit or loss.

Subsequent to initial recognition, financial liabilities are measured at amortised cost, using the effective interest rate approach, except for financial liabilities held for trading (this applies to derivatives that are liabilities, which are not recognised as hedging instruments) or those designated as measured at fair value through profit or loss. The category of financial liabilities measured at fair value through profit or loss includes derivative instruments other than hedging instruments. Current trade liabilities are measured at the amount

payable due to the insignificant effect of discount.

Gains and losses on the measurement of financial liabilities are recognised in profit or loss under financing activities.

## INVENTORIES

Inventories are recorded at purchase price or cost of manufacture, provided that these are not higher than the net sales price. The cost of manufacture includes direct material costs and in certain cases direct remuneration costs, along with a justified portion of indirect costs. Product, material and goods inventories are measured using the FIFO method. The net sales price is equal to an estimated sales price, less all costs connected with completing production or delivering the inventory to be sold or finding a buyer (i.e. selling costs, marketing, etc.).

Inventories are carried at net value, less impairment. Impairment of inventories can be recognised in connection with a loss in their value, to bring the value of inventories to net recoverable amount.

Impairment losses adjusting the value of inventories to net value are recognised mainly in accordance with the following criteria:

- the loss of required useful features,
- the classification of inventories as dispensable,
- lack of rotation or low rotation, evaluated by inventory group (materials/products/products in progress) by period:
  - stored from 2 to 3 years, in the amount of 20% of their value,
  - stored from 3 to 4 years, in the amount of 40% of their value,
  - stored from 4 to 5 years, in the amount of 60% of their value,
  - stored from 5 to 6 years, in the amount of 80% of their value,
  - stored for over 6 years, in the amount of 100% of their value.

## PREPAYMENTS

Prepayments are recognised if costs incurred relate to future reporting periods, as current and non-current. To write down prepayments, the Company uses

individually estimated periods, depending on the type and value of the item being settled. Prepayments are accounted for using the purchase price (amount accounted for over time), less impairment. Prepayments are presented in either 'Non-current receivables and prepayments' or 'Current receivables and prepayments.'

#### ACCRUALS

Accruals are recognised in the amount that is likely to be due in the present reporting period, taking into account cost-revenue matching. Accruals are presented in the item 'Trade and other payables.'

#### DEFERRED REVENUES

Deferred revenues cover in particular negative goodwill, the equivalent of funds received or due to be received from counterparties for considerations to be performed in subsequent reporting periods, as well as cash and cash equivalents received to finance the purchase or manufacture of property, plant and equipment, including property, plant and equipment under construction and development work, if this does not increase equity in accordance with other legal regulations.

Government grants, including non-monetary grants carried at fair value, are recognised only if there is sufficient certainty that the Company will meet the conditions of the grant and that the grant will actually be received.

If a grant concerns a specific cost item, it is recognised as revenue, commensurate to the costs which the grant is intended to offset. In the event that the grant concerns a specific asset, its fair value is recorded in deferred revenue, and then gradually recognised in the statement of profit and loss as revenue, proportionately to the depreciation of that particular asset.

Deferred revenues are presented in the item 'Trade and other payables.'

#### EQUITY

Equity is recorded at nominal value, by type and in accordance with the principles specified by law or the Company's articles of association.

The Company's share capital is presented in the amount specified in the Company's articles of association and which is entered at the National Court Register.

Declared, but not yet paid, capital contributions are recognised as contributions to share capital due to be paid.

The Company's shares purchased and retained by the Company reduce equity. Own shares are measured at the purchase price.

Share premium is created from the excess of issue price over nominal value, less issue costs.

Other capitals include:

- capital from measurement of share-based payments,
- capital from merger of companies,
- special-purpose reserve capitals,
- statutory supplementary capital.

Retained earnings include results from previous years (also those transferred to capital by way of shareholder resolutions) and the current-period financial result, together with the effect of corrections and changes to accounting principles and fundamental errors concerning previous years but disclosed in the present financial year.

#### DIVIDENDS

Dividend payments to the Company's shareholders are recognised as a liability in the Company's financial statements for the period in which they were approved by the Company's General Meeting.

#### PROVISIONS AND CONDITIONAL LIABILITIES AND ASSETS

Provisions are created if there is a present obligation (legal or customary) on the Company, resulting from past events, and it is likely that the fulfilment of that condition will result in an outflow of funds, and that the amount of liabilities may be reliably measured. Provisions are measured at the value of estimated expenditures necessary to comply with the obligation, based on the most

reliable proof available at the date of the financial statements, including those pertaining to risk and degree of uncertainty.

Provisions are classified as other operating expenses, finance costs or extraordinary losses, depending on the circumstances of the future liabilities. In the event that the risk justifying creation of a provision ceases or decreases, at that date the provision increases other operating revenue, finance income or extraordinary profit.

If an outflow of funds intended to comply with a present obligation is not likely, the amount of a conditional liability is not recognised in the statement of financial position, except for conditional liabilities identified in a business combination in accordance with IFRS 3.

Potential inflows containing economic benefits for the Company that do not yet meet the criteria for recognition as an asset constitute conditional assets that are not recognised in the statement of financial position.

#### EMPLOYEE BENEFITS

Liabilities and provisions for employee benefits recognised in the statement of financial position include the following items:

- short-term employee benefits related to remuneration (together with bonuses) and social insurance contributions,
- provisions for unused vacation time and
- other long-term employee benefits, including retirement severance payments.

#### Current employee benefits

The value of liabilities concerning current employee benefits is determined without a discount and recognised in the payable amount in the statement of financial position.

#### Provisions for unused vacation time

The Company creates a provision for the cost of accumulated paid absences that it will have to incur in connection with unused vacation time accrued as at the balance sheet date. The provision for unused vacation time is presented under 'Trade and other payables' and is not subject to discounting.

#### Retirement pay

Employees are entitled to a severance payment upon retirement. These payments are available to retiring employees who meet retirement conditions and amount to a one-month salary. The present value of these provisions is estimated at each balance sheet date using actuarial methods. These provisions are equal to the discounted payments that will be made in the future and concern the period until the balance sheet date. Demographic information is based on historic data.

The effects of the measurement of a provision for future retirement payment liabilities are recognised in profit and loss. The provision is presented under 'Provisions for employee benefits.'

#### REVENUE FROM SALES

Revenue from sales constitutes only revenue from contracts with customers covered by IFRS 15. The following five-step approach determines the way in which revenue from sales is recognised in the Company's financial statements, including both value and moment of recognition of revenue:

- a. Identifying the contract with customer

A contract with a customer meets its definition if all of the following criteria are met: the parties executed a contract and are required to fulfil their obligations; the Company is able to identify the rights of each party concerning goods or services that are to be delivered; the Company is able to identify payment terms for the goods or services that are to be delivered; the contract has economic



context and it is likely that the Company will receive remuneration due in exchange for goods or services that are delivered to the customer.

#### b. Identifying the performance obligations

When a contract is executed, the Company assesses the goods or services promised in the contract with a customer and identifies each promise to deliver goods or services to the customer as a performance obligation. The Company's main revenue streams from contracts with customers cover the sale of finished products and goods,

The Company meets its performance obligations when service is received by the customer. Contracts with customers do not envisage the Company's warranty responsibility beyond what is required by the law, therefore the Company assessed that this does not constitute a separate obligation. Contracts with customers do not contain a financial component because the payment deadlines are between seven and 90 days.

#### c. Determining the transaction price

To determine the transaction price, the Company takes into account contractual terms and its customary commercial practices. The transaction price is an amount of remuneration that, in accordance with the Company's expectation, will be due in exchange for delivery of the promised goods or services to the customer. Remuneration specified in a contract with a customer may include fixed amounts, variable amounts or both. To estimate variable remuneration, the Company decided to use the method of the most likely value for contracts with one value threshold and the expected value method for contracts with more value thresholds based on which the customer receives a discount.

#### d. Allocating the transaction price to specific performance obligations

The Company allocates the transaction price to each performance obligation (or distinct good or service) in an amount that depicts the amount of

consideration to which the entity expects to be entitled in exchange for transferring the promised goods or services to the customer.

#### e. Recognising revenue when performance obligation is met

The Company recognises revenue when the performance obligation is met (or in the course of being met) by delivering a promised good or service (i.e. asset) to the customer (the customer obtains control over this asset). The moment control is obtained by the customer is the moment responsibility for delivery passes to the buyer if the contract with the customer contains rules based on INCOTERMS or a different method is specified. In other cases, it is the moment finished products/goods are sent to the customer. Revenue is recognised as an amount equal to the transaction price allocated to the specific performance obligation.

### OPERATING EXPENSES

Operating expenses are recognised in the amount incurred, taking into account the revenue and cost matching principle in relation to the reporting periods.

### FOREIGN-CURRENCY TRANSACTIONS

In the Company's financial statements, transactions in foreign currencies are converted using the average exchange rate for a given currency published by the National Bank of Poland for the date preceding the transaction date. At the end of the reporting period, monetary assets and liabilities are translated using the exchange rate in effect at the end of the reporting period. Gains and losses resulting from currency translation are recorded directly in the statement of profit and loss, with the exception of those arising from measurement of non-monetary assets and liabilities (in those cases their fair value is recorded directly in equity).



## TAXES

Mandatory encumbrances on profit or loss include current tax and deferred tax.

The Company determines the relevant items:

- tax revenue according to classification sources, tax costs according to classification sources and tax income (losses) according to classification sources in the meaning of the Act on corporate income tax,
- deferred income tax assets and provision.

The current tax obligation is calculated on the basis of the tax result (tax base) for a given financial year. Tax profit (loss) differs from gross tax accounting profit (loss) in connection with the exclusion of taxable income and expenses which are deductible in subsequent years as well as cost and revenue items that are not taxable. Tax charges are calculated using the tax rates in effect during a given financial year.

Deferred tax is calculated using the balance sheet method, as the tax subject to payment or refund in the future on the difference between the carrying amounts of assets and liabilities and the corresponding tax values used to calculate the basis for taxation.

A deferred income tax provision is created on all positive temporary differences that are subject to taxation, and a deferred income tax asset is recognised up to an amount likely to decrease future tax profit through recognised negative temporary differences.

A deferred tax asset is subject to analysis as at the end of the reporting period, and in the event of it being expected that future tax profits will be insufficient to realise an asset or part thereof, it is written off.

Deferred tax is calculated using the tax rates that will be in effect at the moment in which the asset item is realised or the liability becomes due. Deferred tax is recognised in the statement of profit and loss, aside from situations where it concerns items directly recognised in equity. In that last case, deferred tax is also settled directly through equity.

## IMPACT OF NEW STANDARDS AND INTERPRETATIONS ON THE COMPANY'S FINANCIAL STATEMENTS

In 2023, Company adopted all of the new EU-endorsed standards and interpretations issued by the IASB and IFRIC. They are applicable to the Company's business and effective for annual reporting periods beginning on 1 January 2023. Company decided against the early application of new EU-endorsed standards and interpretations that were issued but will enter into force after the end of the reporting period.

### **Changes to standards or interpretations effective and applied by the Company from 2023 onwards**

New or amended standards and interpretations effective from 1 January 2023 and their impact on the Company's financial statements:

#### New IFRS 17 "Insurance Contracts"

A new standard governing the recognition, measurement, presentation and disclosure of insurance and reinsurance contracts. The standard replaced the existing IFRS 4. The standard is effective for annual reporting periods beginning on or after 1 January 2023.

The new standard did not affect the Company's financial statements because the contracts it enters into do not meet the definition of insurance contracts.

#### Amendment to IFRS 17 "Insurance Contracts"

The Board laid down transitional provisions concerning comparative information for entities simultaneously implementing IFRS 17 and IFRS 9 to reduce potential accounting mismatches resulting from differences between these standards. The amendment is effective for annual reporting periods beginning on or after 1 January 2023.

The amendment had no impact on the Company's financial statements.

#### Amendment to IAS 1 “Presentation of Financial Statements”

The IASB clarified which information concerning an entity’s accounting policy is material and requires disclosure in the financial statements. The principles focus on adapting disclosures to the entity’s individual circumstances. The Board cautions against the use of standardised provisions copied from IFRS and expects the basis of measurement of financial instruments to be considered as material information.

The amendment is effective for annual reporting periods beginning on or after 1 January 2023.

The amendment did not impact the Company’s financial statements.

#### Amendment to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”

The Board introduced a definition of accounting estimate into the standard: Accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty. The amendment is effective for annual reporting periods beginning on or after 1 January 2023.

The amendment did not impact the Company’s financial statements.

#### Amendment to IAS 12 “Income Taxes”

The Board introduced the principle that if a transaction results in simultaneous taxable and deductible temporary differences in the same amount, a deferred tax asset and deferred tax provision should be recognised even if the transaction does not arise from the merger or has no impact on the accounting or tax result. This implies the need to recognise deferred tax assets and provisions for example when temporary differences in equal amounts occur in the case of leasing (separate temporary difference on the liability and on the right of use) or for reclamation liabilities. No change was made to the principle stating that deferred tax assets and liabilities are offset if the offsetting concerns current tax assets and liabilities. The amendment is effective for annual reporting periods beginning on or after 1 January 2023.

The amendment did not impact the Company’s financial statements.

#### Amendment to IAS 12 “Income Taxes”

The amendment introduces a temporary exemption from the requirement to recognise deferred tax arising from the implementation of the international tax law reform (Pillar Two) and an obligation to introduce additional disclosures related to that. The amendment is effective for annual reporting periods beginning on or after 1 January 2023.

The amendment did not impact the Company’s financial statements.

*Standards and interpretations in force as published by the IASB but not endorsed by the European Union are indicated below in the item concerning standards and interpretations that have not become effective.*

#### **Application of a standard or interpretation prior to their effective date**

No standards or interpretations have been applied in these consolidated financial statements on a voluntary early basis.

#### **Published standards and interpretations not effective for periods starting on 1 January 2023 and their impact on the Company’s financial statements**

Up to the date of these consolidated financial statements, new or amended standards and interpretations have been published, effective for annual periods following 2023. The list also includes amendments, standards and interpretations published but not yet accepted by the European Union.

#### Amendment to IAS 1 “Presentation of Financial Statements”

The IASB clarified the principles for classifying liabilities as current or non-current primarily in two respects:

- it was clarified that the classification depends on the rights that the entity holds as at the reporting date,
- the management’s intentions with regard to accelerating or delaying the payment of an obligation are not taken into account.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024.

As the Company already applies principles consistent with the amended standard, the amendments will have no impact on its financial statements.

#### Amendment to IAS 1 “Presentation of Financial Statements”

The amendment clarifies that, as the reporting date, an entity does not take into account covenants which will have to be met in the future when considering the classification of liabilities as current or non-current. In turn, the entity should disclose information about these covenants in the notes to the financial statements. The amendment is effective for annual reporting periods beginning on or after 1 January 2024.

The Company estimates that the amendment will have no impact on its financial statements.

#### Amendment to IFRS 16 “Leases”

The amendment clarifies the requirements related to the measurement of the lease payable arising as a result of sale and leaseback transactions. It is intended to prevent incorrect recognition of the result on a transaction for the retained right-of-use portion when the lease payments are variable and do not depend on an index or rate. The amendment is effective for annual reporting periods beginning on or after 1 January 2024.

The Company is still estimating the impact of the amendment on its financial statements.

Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures”

The amendments clarify the features of agreements on the financing of liabilities towards suppliers (referred to as reverse factoring arrangements) and introduce the obligation to disclose information on the agreements with suppliers, including their terms and conditions, the amounts of the relevant liabilities, the due dates, and information on liquidity risk. The amendments are effective for annual reporting periods beginning on or after 1 January 2024. The Company is still estimating the impact of the amendments on its financial statements.

#### Amendment to IAS 21 “The Effects of Changes in Foreign Exchange Rates”

The amendment clarifies how an entity should assess whether a currency is convertible and how it should determine the exchange rate in the event of non-convertibility, and requires disclosure of information allowing users of the financial statements to understand the impact of currency non-convertibility. The amendment is effective for annual reporting periods beginning on or after 1 January 2025.

The Company is still estimating the impact of the amendments on its financial statements.

The Company intends to implement the above regulations within the relevant deadlines specified for standards or interpretations.



## NOTES TO THE SEPARATE FINANCIAL STATEMENTS

### NOTE NO. 1

#### Operating segments

Information on operating segments is presented in RAWLPLUG Group's consolidated financial statements for 2023. Sales to domestic counterparties did not exceed the 10% threshold in the sales structure in 2023.

### NOTE NO. 2

#### Revenue from sales

Revenue from sales in the reporting period mainly concerned the sale of fixings, fasteners and hand- and power-tools.

The products manufactured by the Company are used in construction, automotive, energy, road building, wood industry, machinery, electronic machinery, mining, ship-building, and they guarantee safety and durability. RAWLPLUG S.A.'s assortment is very diverse therefore it is not possible to separate product lines by product. Information on key customers is presented in the Management Report for 2023.

	At 31.12.2023	At 31.12.2022
Net revenue from sale of products	420 453	433 697
Net revenue from sale of services	27	25
Net revenue from sale of goods	184 427	175 824
Net revenue from sale of materials	953	1 107
<b>Total</b>	<b>605 860</b>	<b>610 653</b>

	At 31.12.2023	At 31.12.2022
Domestic	296 960	290 985
Export	308 900	319 668
<b>Total</b>	<b>605 860</b>	<b>610 653</b>

The transaction price includes fixed and variable remuneration. Variable remuneration applies to discounts for customers for generating specific order volumes.

Revenue from sales was adjusted for variable remuneration due for customers, estimated as the most likely value, constituting a single amount from a range of possible remuneration amounts.

### NOTE NO. 3 Expenses by nature

	01-12.2023	01-12.2022
Depreciation	15 131	13 286
Use of materials and energy	110 432	164 321
Employee benefit expenses	77 534	70 573
Business travel	937	905
Transport	24 392	25 368
Representation and advertising	6 104	5 865
Taxes and fees	2 883	2 568
External services	47 588	44 275
Other costs	23 032	22 645
<b>Total</b>	<b>308 033</b>	<b>349 806</b>
<b>COST OF EMPLOYEE BENEFITS</b>	<b>01-12.2023</b>	<b>01-12.2022</b>
Salaries and wages	62 883	57 495
Social security and other benefits	12 469	11 126
Expenditure on defined-benefit pension programs	505	403
Other	1 677	1 549
<b>Total</b>	<b>77 534</b>	<b>70 573</b>

## NOTE NO. 4

### Other operating revenues and expenses

OTHER OPERATING REVENUES	01-12.2023	01-12.2022
Gain on disposal of non-financial non-current assets	1 462	333
Impairment of receivables	3 192	5 816
Reversal of impairment losses on inventories	119	1 282
Reversal of provisions	383	324
Settlement of leasing	97	51
Lease / rent income	533	1 145
Refund of legal expenses / received penalties and compensations	230	99
Proceeds from liquidation of current assets	160	315
Other	6 253	7 917
<b>Total</b>	<b>12 429</b>	<b>17 282</b>

OTHER OPERATING EXPENSES	01-12.2023	01-12.2022
Impairment of receivables	3 653	5 074
Impairment of inventories	3 303	1 346
Penalties and compensations	12	34
Donations	53	27
Recognition of provisions	665	91
Inventory shortages	334	808
Scrapping costs	587	584
Settlement of leasing	84	46
Receivables written off	103	651
Depreciation of rented tangible assets and intangible assets	115	118
Other	4 787	6 468
<b>Total</b>	<b>13 696</b>	<b>15 247</b>



## NOTE NO. 5

### Finance income and costs

Finance income concerns financial assets at amortised cost, except for dividends and income from sureties and guarantees.

FINANCE INCOME	01-12.2023	01-12.2022
Interest on loans and borrowings granted	5 769	4 959
Dividends and share of profit	75 096	4 925
Sureties and guarantees	244	207
Other interest	60	41
Measurement of derivatives	0	16 391
Other	9	478
<b>Total</b>	<b>81 178</b>	<b>27 001</b>

Finance costs concern financial liabilities at amortised cost, except for the cost of sureties and guarantees and impairment of investment properties.

FINANCE COSTS	01-12.2023	01-12.2022
Interest on loans and borrowings	27 758	19 125
Other interest	5 935	3 853
Bank commissions and fees	707	701
Impairment of financial assets	96	74
Losses on exchange differences	2 351	2 459
Measurement of derivatives	1 692	1 865
Sureties and guarantees	501	560
Loss on sale of financial assets	66	2 015
<b>Total</b>	<b>39 106</b>	<b>30 652</b>





## NOTE NO. 6

### Earnings per share

Basic profit per share attributable to the Company's owners is the product of dividing the current-period profit attributable to shareholders by the weighted average number of shares outstanding during the period.

Weighted average number of ordinary shares:  
 $(31\,059\,401 \text{ shares} \times 365 \text{ days}) / 365 \text{ days} = 31\,059\,401 \text{ shares}$

The number of shares was calculated on the basis of issued shares and adjusted by a weighted factor reflecting the period in which own shares bought by RAWLPLUG S.A. existed in the period 1 January - 31 December 2023.

The amount of diluted profit per ordinary share is equal to the amount of profit per share.

	At 31.12.2023	At 31.12.2022
Profit attributable to owners of the parent	47 477	21 677
Weighted average number of ordinary shares	31 059 401	31 059 401
Earnings per share (in PLN)	1,53	0,70



## NOTE NO. 7 Intangible assets

Borrowing costs did not increase the value of intangible assets.

The Company does not include in its separate financial statements intangible assets with undefined periods of economic life.

The amortisation of intangible assets in 2023 amounted to PLN 1 734 thousand, all of which was recorded in net financial result.

### INTANGIBLE ASSETS

31.12.2023	Goodwill	Concessions, patents, licenses	Development costs	Other	Total
Gross value as at the beginning of period	0	11 662	2 616	7 331	21 609
Increases	0	2 084	0	14 420	16 504
Decreases	0	0	0	(1 899)	(1 899)
Gross value as at the end of period	0	13 746	2 616	19 852	36 214
Depreciation at the beginning of period	0	7 857	1 756	4	9 617
Increases	0	1 526	204	4	1 734
Decreases	0	0	0	0	0
Depreciation at the end of period	0	9 383	1 960	8	11 351
<b>Net value at the beginning of period</b>	<b>0</b>	<b>3 805</b>	<b>860</b>	<b>7 327</b>	<b>11 992</b>
<b>Net value as at the end of period</b>	<b>0</b>	<b>4 363</b>	<b>656</b>	<b>19 844</b>	<b>24 863</b>

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## INTANGIBLE ASSETS

31.12.2022	Goodwill	Concessions, patents, licenses	Development costs	Other	Total
Gross value as at the beginning of period	0	11 082	2 060	3 014	16 156
Increases	0	580	556	6 316	7 452
Decreases	0	0	0	(1 999)	(1 999)
Gross value as at the end of period	0	11 662	2 616	7 331	21 609
Depreciation at the beginning of period	0	6 164	1 614	0	7 778
Increases	0	1 693	142	4	1 839
Decreases	0	0	0	0	-
Depreciation at the end of period	0	7 857	1 756	4	9 617
<b>Net value at the beginning of period</b>	<b>0</b>	<b>4 918</b>	<b>446</b>	<b>3 014</b>	<b>8 378</b>
<b>Net value as at the end of period</b>	<b>0</b>	<b>3 805</b>	<b>860</b>	<b>7 327</b>	<b>11 992</b>

## PURCHASE AND SALE OF INTANGIBLE ASSETS

	01-12.2023	01-12.2022
Purchase	14 943	6 549
Net value of assets sold	338	935

## NOTE NO. 8

### Property, plant and equipment

In 2023, no impairment losses were recognised in respect of property, plant and equipment.

At 31 December 2023, no items of property, plant and equipment were covered by any impairment losses.

Depreciation of property, plant and equipment in 2023 amounted to PLN 13 868 thousand.

As at 31 December 2023, the following collateral was established on items of property, plant and equipment in connection with credit facilities:

- mortgage up to PLN 225 000 thousand on properties for PKO Bank Polski S.A.,
- joint contractual mortgage up to PLN 4 050 thousand on properties for BNP Paribas Bank Polska S.A.,
- joint contractual mortgage up to PLN 154 000 thousand established on perpetual usufruct right to property for ING Bank Śląski.

### PROPERTY, PLANT AND EQUIPMENT - OWN

31.12.2023	Land	Buildings and structures	Machinery and equipment	Means of transport	Other tangible assets	Tangible assets under construction	Total
<b>Gross value as at the beginning of period</b>	<b>6 311</b>	<b>46 680</b>	<b>84 329</b>	<b>2 779</b>	<b>6 936</b>	<b>37 964</b>	<b>184 999</b>
Increases	0	6 160	23 094	304	1 004	11 627	42 189
Decreases	0	(76)	(4 022)	(34)	(9)	(13 069)	(17 210)
Gross value as at the end of period	<b>6 311</b>	<b>52 764</b>	<b>103 401</b>	<b>3 049</b>	<b>7 931</b>	<b>36 522</b>	<b>209 978</b>
Depreciation at the beginning of period	<b>0</b>	<b>18 808</b>	<b>64 506</b>	<b>1 906</b>	<b>6 312</b>	<b>0</b>	<b>91 532</b>
Increases	0	1 511	12 502	301	487	0	14 801
Decreases	0	(4)	(3 787)	(34)	(9)	0	(3 834)
Depreciation at the end of period	<b>0</b>	<b>20 315</b>	<b>73 221</b>	<b>2 173</b>	<b>6 790</b>	<b>0</b>	<b>102 499</b>
<b>Net value at the beginning of period</b>	<b>6 311</b>	<b>27 872</b>	<b>19 823</b>	<b>873</b>	<b>624</b>	<b>37 964</b>	<b>93 467</b>
<b>Net value as at the end of period</b>	<b>6 311</b>	<b>32 449</b>	<b>30 180</b>	<b>876</b>	<b>1 141</b>	<b>36 522</b>	<b>107 479</b>

31.12.2022	Land	Buildings and structures	Machinery and equipment	Means of transport	Other tangible assets	Tangible assets under construction	Total
<b>Gross value as at the beginning of period</b>	<b>6 311</b>	<b>46 680</b>	<b>81 843</b>	<b>3 222</b>	<b>6 299</b>	<b>27 662</b>	<b>172 017</b>
Increases	0	0	5 834	0	671	14 259	20 765
Decreases	0	0	(3 348)	(443)	(34)	(3 958)	(7 783)
Gross value as at the end of period	<b>6 311</b>	<b>46 680</b>	<b>84 329</b>	<b>2 779</b>	<b>6 936</b>	<b>37 964</b>	<b>184 999</b>
Depreciation at the beginning of period	<b>0</b>	<b>17 472</b>	<b>63 101</b>	<b>2 082</b>	<b>5 965</b>	<b>0</b>	<b>88 620</b>
Increases	0	1 336	4 373	266	374	0	6 349
Decreases	0	0	(2 968)	(442)	(27)	0	(3 437)
Depreciation at the end of period	<b>0</b>	<b>18 808</b>	<b>64 506</b>	<b>1 906</b>	<b>6 312</b>	<b>0</b>	<b>91 532</b>
<b>Net value at the beginning of period</b>	<b>6 311</b>	<b>29 208</b>	<b>18 742</b>	<b>1 140</b>	<b>334</b>	<b>27 662</b>	<b>83 397</b>
<b>Net value as at the end of period</b>	<b>6 311</b>	<b>27 872</b>	<b>19 823</b>	<b>873</b>	<b>624</b>	<b>37 964</b>	<b>93 467</b>

- joint contractual mortgage up to PLN 90 000 thousand established on perpetual usufruct right to property for Bank Handlowy S.A.

#### RIGHT-OF-USE ASSETS UNDER LEASES

31.12.2023	Land	Buildings and structures	Machinery and equipment	Means of transport	Other tangible assets	Tangible assets under construction	Total
Gross value as at the beginning of period	0	371	45 165	9 868	372	0	55 776
Increases	0	0	20 859	3 508	0	0	24 367
Decreases	0	(371)	(17 842)	(1 571)	(212)	0	(19 996)
Gross value as at the end of period	0	0	48 182	11 805	160	0	60 147
Depreciation at the beginning of period	0	45	12 839	5 033	202	0	18 119
Increases	0	7	4 623	2 809	22	0	7 461
Decreases	0	(52)	(8 204)	(1 488)	(200)	0	(9 944)
Depreciation at the end of period	0	0	9 258	6 354	24	0	15 636
Net value at the beginning of period	0	326	32 326	4 835	170	0	37 657
<b>Net value as at the end of period</b>	<b>0</b>	<b>0</b>	<b>38 924</b>	<b>5 451</b>	<b>136</b>	<b>0</b>	<b>44 511</b>

31.12.2022	Land	Buildings and structures	Machinery and equipment	Means of transport	Other tangible assets	Tangible assets under construction	Total
<b>Gross value as at the beginning of period</b>	0	371	39 844	7 485	555	0	48 255
Increases	0	0	6 253	3 548	160	0	9 961
Decreases	0	0	(932)	(1 165)	(343)	0	(2 440)
Gross value as at the end of period	0	371	45 165	9 868	372	0	55 776
Depreciation at the beginning of period	0	36	9 617	3 767	301	0	13 721
Increases	0	9	3 531	2 359	72	0	5 971
Decreases	0	0	(309)	(1 093)	(171)	0	(1 573)
Depreciation at the end of period	0	45	12 839	5 033	202	0	18 119
Net value at the beginning of period	0	335	30 227	3 718	254	0	34 534
<b>Net value as at the end of period</b>	<b>0</b>	<b>326</b>	<b>32 326</b>	<b>4 835</b>	<b>170</b>	<b>0</b>	<b>37 657</b>

PURCHASE AND SALE - OWN NON-CURRENT ASSETS		01-12.2023	01-12.2022
Purchase		14 359	20 765
Net value of assets sold		3 838	473
PURCHASE AND SALE - RIGHT-OF-USE ASSETS UNDER LEASES			
Purchase		24 296	9 961
Net value of assets sold		0	0

#### PROPERTY, PLANT AND EQUIPMENT - TOTAL

31.12.2023	Land	Buildings and structures	Machinery and equipment	Means of transport	Other tangible assets	Tangible assets under construction	Total
Net value at the beginning of period	6 311	28 198	52 149	5 708	794	37 964	131 124
Net value as at the end of period	6 311	32 449	69 104	6 327	1 277	36 522	151 990

## NOTE NO. 9 Investment properties

As at 31 December 2023, the Company held investment properties worth PLN 3 049 thousand net. There were no increases or decreases in the value of investment properties in 2022 and 2023. Investment properties are not subject to depreciation.

The Company did not generate rent income in 2023. Borrowing costs did not increase the value of investment properties.

	At 31.12.2023	At 31.12.2022
Gross	3 528	3 528
Impairment	479	176
<b>Net</b>	<b>3 049</b>	<b>3 352</b>

## NOTE NO. 10 Financial instruments

Amounts of financial assets and liabilities presented as at 31 December 2023 and 31 December 2022 by IFRS 9 category:

		31.12.2023			31.12.2022				
		Measured at amortised cost	Measured at fair value	Outside the scope of IFRS 9	Total	Measured at amortised cost	Measured at fair value	Outside the scope of IFRS 9	Total
Non-current assets	Loans and receivables	66 752	0	0	66 752	59 520	0	0	59 520
	Investment in subsidiaries	0	310 557	0	310 557	0	310 540	0	310 540
Current assets	Trade and other receivables	132 586	0	0	132 586	111 828	0	0	111 828
	Receivables from taxes, prepayments and advances	0	0	8 445	8 445	0	0	6 094	6 094
	Loans	22 299	0	0	22 299	29 354	0	0	29 354
	Shares	83	0	0	83	95	0	0	95
	Derivative instruments	0	3 634	0	3 634	0	11 657	0	11 657
	Cash and cash equivalents	792	0	0	792	1 843	0	0	1 843
	<b>Total</b>	<b>222 512</b>	<b>314 191</b>	<b>8 445</b>	<b>545 148</b>	<b>202 640</b>	<b>322 197</b>	<b>6 094</b>	<b>530 931</b>
Non-current liabilities	Loans, borrowings, other debt instruments	259 182	0	0	259 182	320 130	0	0	320 130
	Finance leasing	20 319	0	0	20 319	12 480	0	0	12 480
	Trade and other payables	154 709	0	0	154 709	152 640	0	0	152 640
Current liabilities	Tax liabilities	0	0	4 767	4 767	0	0	4 065	4 065
	Loans, borrowings, other debt instruments	93 969	0	0	93 969	26 628	0	0	26 628
	Finance leasing	10 756	0	0	10 756	11 981	0	0	11 981
	<b>Total</b>	<b>538 935</b>	<b>0</b>	<b>4 767</b>	<b>543 702</b>	<b>523 859</b>	<b>0</b>	<b>4 065</b>	<b>527 924</b>

## NOTE NO. 11 Financial assets

As at 31 December 2023, RAWLPLUG S.A.'s financial assets mainly comprised loans (other non-current and current financial assets), investments in subsidiaries (interests in subsidiaries) and derivatives.

Shares in privately-held companies are measured by the Company at purchase price, less impairment. The Company does not intend to sell shares in non-listed entities in the near future.

Financial derivative instruments are measured at fair value, and the measurement is recognised in the relevant item of the statement of profit and loss.

	At 31.12.2023	Shares	Loans	Derivative instruments
Gross	Non-current	490 096	67 453	0
	Current	96	22 299	3 634
	<b>Total</b>	<b>490 192</b>	<b>89 752</b>	<b>3 634</b>
Impairment	Non-current	179 540	748	0
	Current	13	0	0
	<b>Total</b>	<b>179 553</b>	<b>748</b>	<b>0</b>
Net	Non-current	310 556	66 705	0
	Current	83	22 299	3 634
	<b>Total</b>	<b>310 639</b>	<b>89 004</b>	<b>3 634</b>
<b>At 31.12.2022</b>				
Gross	Non-current	490 080	60 239	0
	Current	96	29 354	11 657
	<b>Total</b>	<b>490 176</b>	<b>89 593</b>	<b>11 657</b>
Impairment	Non-current	179 540	788	0
	Current	1	0	0
	<b>Total</b>	<b>179 541</b>	<b>788</b>	<b>0</b>
Net	Non-current	310 540	59 451	0
	Current	95	29 354	11 657
	<b>Total</b>	<b>310 635</b>	<b>88 805</b>	<b>11 657</b>



Loans are measured at the amount due to be re-paid, together with interest, if the difference from measurement at amortised cost is insignificant. The carrying amount of financial assets does not differ from their fair value.

The Company did not reclassify elements of financial assets, which would result in a change of measurement principles regarding the difference between their fair value and purchase price or amortised cost.

As at 31 December 2023, the Company held no financial assets, the transfer of which would not qualify for derecognition from the balance sheet.

#### LOANS GRANTED

	Parent	Subsidiaries	Entities from outside the Group
<b>At 31.12.2023</b>			
Non-current	39 735	26 970	0
Current	0	22 054	245
<b>At 31.12.2022</b>			
Non-current	40 341	19 110	0
Current	0	29 125	229



## NOTE NO. 12

### Shares in subsidiaries

No.	Name of entity	Registered office	Object of activity	Type of link	Type of consolidation, or indication of exclusion from consolidation	Data of control / joint control / significant influence	% of share capital held	Share in total number of votes	Value of shares at acquisition price	Valuation adjustments	Balance sheet value of stake
1	Rawlplug Ltd	Great Britain	wholesale of construction materials	1st degree subsidiary	Full	31.10.2005	100.00%	100.00%	48 730	-	48 730
2	Koelner Rawlplug IP Sp. z o.o.	Wrocław; Branch in Łańcut; Łańcut; Poland	IP management and shared services centre for Rawlplug Group companies Branch in Łańcut: production of fasteners	1st degree subsidiary	Full	07.11.2011	100.00%	100.00%	318 333	170 167	148 166
3	Koelner Hungária Kft	Hungary	wholesale of construction materials	1st degree subsidiary	Full	04.08.2005	51.00%	51.00%	10 502	-	10 502
4	Koelner CZ s.r.o.	Czech Republic	wholesale of construction materials	1st degree subsidiary	Full	10.05.2000	100.00%	100.00%	493	-	493
5	Koelner Deutschland GmbH	Germany	wholesale of construction materials	1st degree subsidiary	Full	15.07.2005	100.00%	100.00%	21 548	-	21 548
6	Stahl GmbH	Germany	wholesale of construction materials	2nd degree subsidiary	Full	04.04.2007	100.00%	100.00%	24 699	-	24 699
7	Rawlplug Middle East FZE	UAE	wholesale of construction materials	1st degree subsidiary	Full	17.07.2006	100.00%	100.00%	2 398	-	2 398
8	Rawlplug Building & Construction Material Trading LLC	UAE	wholesale of construction materials	2nd degree subsidiary	Full	24.07.2008	100.00%	100.00%	367	-	367
9	Rawlplug Ireland Ltd	Ireland	wholesale of construction materials	1st degree subsidiary	Full	31.10.2005	100.00%	100.00%	10 299	-	10 299
10	Rawlplug Ireland (Export) Ltd	Ireland	wholesale of construction materials	2nd degree subsidiary	Not subject to consolidation, in accordance with IAS 1 point 31	24.07.2008	100.00%	100.00%	2 321	-	2 321
11	Koelner Vilnius UAB	Lithuania	wholesale of construction materials	1st degree subsidiary	Full	01.08.2002	100.00%	100.00%	1 936	-	1 936
12	Rawlplug France SAS	France	wholesale of construction materials	1st degree subsidiary	Full	31.10.2005	100.00%	100.00%	16 880	-	16 880
13	Rawl Scandinavia AB	Sweden	wholesale of construction materials	1st degree subsidiary	Full	16.10.2006	100.00%	100.00%	209	-	209
14	Koelner Slovakia s.r.o.	Slovakia	wholesale of construction materials	1st degree subsidiary	Full	20.12.2011	100.00%	100.00%	449	-	449

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15	Koelner Ltd	Russia	wholesale of construction materials	1st degree subsidiary	Full	01.04.2005	100.00%	100.00%	3 683	3 683	-
16	Rawlplug Manufacturing (Thailand) Ltd	Thailand	Manufacture and wholesale of construction materials	1st degree subsidiary	Full	20.08.2018	99.91%	99.91%	3 875	-	3 875
17	Koelner-Ukraine LLC	Ukraine	wholesale of construction materials	1st degree subsidiary	Not subject to consolidation, in accordance with IAS 1 point 31	01.07.2010	87.00%	87.00%	7 621	-	7 621
18	Koelner Trading KLD LLC	Russia	Manufacture and wholesale of construction materials	1st degree subsidiary	Not subject to consolidation, in accordance with IAS 1 point 31	12.08.2010	100.00%	100.00%	2 960	-	2 960
19	Koelner Kazakhstan Ltd	Kazakhstan	wholesale of construction materials	1st degree subsidiary	Not subject to consolidation, in accordance with IAS 1 point 31	23.05.2006	70.00%	70.00%	2	2	-
20	Rawlplug Portugal Lda	Portugal	wholesale of construction materials	subsidiary: 1st degree (99% share capital); 2nd degree (1% share capital)	Full	04.02.2015	100.00%	100.00%	103	103	-
21	Rawl Africa (PTY) Ltd	Republic of South Africa	wholesale of construction materials	1st degree subsidiary	Not subject to consolidation, in accordance with IAS 1 point 31	20.02.2015	100.00%	100.00%	93	93	-
22	Rawlplug Singapore Pte. Ltd.	Singapore	wholesale of construction materials	1st degree subsidiary	Full	06.01.2017	100.00%	100.00%	3 994	-	3 994
23	Rawlplug Shanghai Trading Ltd	People's Republic of China	wholesale of construction materials	1st degree subsidiary	Full	13.04.2017	100.00%	100.00%	3 202	-	3 202
24	Rawlplug Inc.	USA	wholesale of construction materials	1st degree subsidiary	Not subject to consolidation, in accordance with IAS 1 point 31	26.05.2017	100.00%	100.00%	0	-	0
25	Rawlplug Products and Services India Private Ltd	India	technical support for distributors	1st degree subsidiary	Not subject to consolidation, in accordance with IAS 1 point 31	06.03.2018	100.00%	100.00%	5	-	5
26	Rawlplug Italy S.R.L.	Italy	wholesale of construction materials	1st degree subsidiary	Full	06.11.2019	100.00%	100.00%	43	-	43
27	Rawlplug Vietnam Company Ltd	Vietnam	Manufacture and wholesale of construction materials	1st degree subsidiary	Full	09.10.2020	100.00%	100.00%	7 765	-	7 765
28	JN192 Sp. z o.o.	Poland	activities of head offices and holdings, except financial holdings	1st degree subsidiary	Not subject to consolidation, in accordance with IAS 1 point 31	06.10.2020	100.00%	100.00%	5	-	5

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29	JN192 Sp. z o. o. sp.k.	Poland	property development	Subsidiary: - I degree (99.9% of share capital) - II degree (0.1% of share capital)	Not subject to consolidation, in accordance with IAS 1 point 31	21.10.2020	99.99%	99.99%	10 691	5 491	5 200
30	Rawlplug Australia Pty Ltd	Australia	wholesale of construction materials	1st degree subsidiary	Not subject to consolidation, in accordance with IAS 1 point 31	24.03.2021	100.00%	100.00%	0	-	0
31	Rawlplug 5PL sp. z o.o.	Poland	warehousing and storing of goods	1st degree subsidiary	Not subject to consolidation, in accordance with IAS 1 point 31	27.04.2021	100.00%	100.00%	14 005	-	14 005
32	Rawlplug Turkey İnşaat Malzemeleri LİMİTED ŞİRKETİ	Turkey	wholesale of construction materials	1st degree subsidiary	Not subject to consolidation, in accordance with IAS 1 point 31	15.03.2022	100.00%	100.00%	3	-	3
33	Rawlplug Energia Odnawialna Sp. z o.o.	Poland	production of electricity from renewable energy sources	1st degree subsidiary	Not subject to consolidation, in accordance with IAS 1 point 31	11.04.2022	100.00%	100.00%	100	-	100
34	Rawlplug Dystrybucja Sp. z o.o.	Poland	distribution of electricity	1st degree subsidiary	Not subject to consolidation, in accordance with IAS 1 point 31	11.05.2022	100.00%	100.00%	50	-	50
35	Rawlplug Inwestycje Sp. z o.o.	Poland	investment activities	1st degree subsidiary	Not subject to consolidation, in accordance with IAS 1 point 31	30.06.2022	100.00%	100.00%	100	-	100
36	Rawlplug España, S.L.	Spain	wholesale of construction materials	Subsidiary: - I degree (95% of share capital) - II degree (5% of share capital)	Not subject to consolidation, in accordance with IAS 1 point 31	07.11.2023	100.00%	100.00%	17	-	17



## NOTE NO. 13

### Inventories

As of 31 December 2023, inventories were encumbered with pledges for borrowings, amounting to PLN 420 000 thousand.

At 31 December 2023, impairment of inventories amounted to PLN 12 220 thousand. In 2023, a PLN 3 303 thousand impairment loss on inventories was recognised in other operating costs, and a PLN 119 thousand impairment loss was reversed and recognised in other operating revenues.

	At 31.12.2023	At 31.12.2022
Materials	15 716	7 821
Products	137 576	155 695
Goods	85 892	84 220
Advances for deliveries	7	7
<b>Total net inventory</b>	<b>239 191</b>	<b>247 743</b>
Impairment of inventories	(12 220)	(9 036)
<b>Total gross inventory</b>	<b>251 411</b>	<b>256 779</b>



## NOTE NO. 14

### Receivables and prepayments

The Group tested receivables for impairment in accordance with its accounting policy and recognised impairment losses in line with the following coefficients:

- receivables not past due - 1% of the receivable's value,
- receivables overdue by 180-360 days - 50% impairment loss,
- receivables overdue by over 360 days - 100% impairment loss,
- court receivables - 100% impairment loss.

RAWLPLUG Group also has a policy that states that sales are made only to verified customers. According to the management, there is no need for an additional allowance for expected credit losses.

	At 31.12.2023	At 31.12.2022
Trade receivables	128 973	109 768
Receivables on taxes, duties, insurance and similar	8 445	6 094
Other receivables	3 613	2 059
Deferred revenue and accruals	7 814	5 550
Collateral	47	69
<b>Total net</b>	<b>148 892</b>	<b>123 540</b>
Impairment	(12 609)	(12 991)
<b>Total gross</b>	<b>161 501</b>	<b>136 531</b>
<i>Non-current</i>	<i>5 308</i>	<i>3 324</i>
<i>Current</i>	<i>156 193</i>	<i>133 207</i>

#### IMPAIRMENT OF RECEIVABLES

	At 31.12.2023	At 31.12.2022
<b>At the beginning of period (published data)</b>	<b>12 991</b>	<b>13 325</b>
<i>Increases</i>	<i>3 688</i>	<i>5 504</i>
<i>Decreases</i>	<i>(4 070)</i>	<i>(5 838)</i>
<b>End of period</b>	<b>12 609</b>	<b>12 991</b>

At the publication of these financial statements, no reasons were identified for increasing the expected credit loss or amending the Group's policy in this respect.

The carrying amount of trade receivables is regarded by the Group as being a reasonable approximation of their fair value.

The maximum exposure to credit risk concerning receivables is equal to their carrying amount.

## NOTE NO. 15 Cash and cash equivalents

	At 31.12.2023	At 31.12.2022
Cash on hand and at bank accounts*	792	1 843

\*As at 31 December 2023 RAWLPLUG S.A. had no restricted cash.

## NOTE NO. 16 Equity

RAWLPLUG S.A.'s share capital as at 31 December 2023 amounted to PLN 31 059 thousand.

On 18 October 2023, the District Court for Wrocław-Fabryczna in Wrocław, 6<sup>th</sup> Economic Department of the National Court Register, registered a reduction of the company's share capital by the amount of PLN 1,500,599, which corresponded to the redemption of 1,500,599 series A1 ordinary shares of the Company, representing the same number of votes, i.e. 1,500,599, at the Company's General Meeting.

### SHARE CAPITAL AT 31.12.2023

Series	Type of share	Type of preference	Number of shares	Nominal value	Method of payment	Registration date
A1	bearer	none	21 499 401	21 499	cash	20.07.2004
B	bearer	none	7 000 000	7 000	cash	03.12.2004
C	bearer	none	335 200	335	cash	16.11.2005
C	bearer	none	185 400	185	cash	21.11.2006
D	bearer	none	1 500 000	1 500	cash	20.03.2007
C	bearer	none	268 700	269	cash	03.12.2007
C	bearer	none	270 700	271	cash	10.03.2008
			<b>31 059 401</b>	<b>31 059</b>		

### SHARE CAPITAL AT 31.12.2022

Series	Type of share	Type of preference	Number of shares	Nominal value	Method of payment	Registration date
A1	bearer	none	23 000 000	23 000	cash	20.07.2004
B	bearer	none	7 000 000	7 000	cash	03.12.2004
C	bearer	none	335 200	335	cash	16.11.2005
C	bearer	none	185 400	185	cash	21.11.2006
D	bearer	none	1 500 000	1 500	cash	20.03.2007
C	bearer	none	268 700	269	cash	03.12.2007
C	bearer	none	270 700	271	cash	10.03.2008
			<b>32 560 000</b>	<b>32 560</b>		

Following the redemption of the treasury shares and the share capital reduction, the Company's share capital is currently PLN 31,059,401, which corresponds to 31,059,401 votes at the General Shareholders' Meeting and breaks down as follows:

- 1) 21,499,401 series A1 shares,
- 2) 7,000,000 series B shares,
- 3) 1,060,000 series C shares,
- 4) 1,500,000 series D shares.

The nominal value of a single share is PLN 1,00.

The redemption pertains to all the treasury shares acquired by the Company under the treasury shares purchase scheme implemented in accordance with Resolution no. 4 of the Extraordinary Shareholders' Meeting of Rawlplug S.A. of 10 September 2018.

On the date of the annual separate financial statements and as at 31 December 2023 RAWLPLUG S.A.'s shareholders is presented in the table "Shareholding structure".

#### SHAREHOLDING STRUCTURE AT 31.12.2023

Shareholder	Number of shares*	Stake in share capital**
Amicus Polinae Sp. z o.o.	17 453 750	56,19
Radosław Koelner	3 189 371	10,27
PKO BP Bankowy PTE S.A.	2 933 639	9,45
Nationale Nederlanden PTE S.A.	2 842 138	9,15
Other	4 640 503	14,94
<b>Total</b>	<b>31 059 401</b>	<b>100,00</b>

\* Number of shares = Number of votes at the general meeting

\*\* % in share capital = % of votes at the general meeting

#### SHAREHOLDING STRUCTURE AT 31.12.2022

Shareholder	Number of shares*	Stake in share capital**
Amicus Polinae Sp. z o.o.	17 453 750	53,60
Radosław Koelner	3 189 371	9,80
PKO BP Bankowy PTE S.A.	2 933 639	9,01
Nationale Nederlanden PTE S.A.	2 842 138	8,73
Other	6 141 102	18,86
<b>Total</b>	<b>32 560 000</b>	<b>100,00</b>

\* Number of shares = Number of votes at the general meeting

\*\* % in share capital = % of votes at the general meeting





All shares in RAWLPLUG S.A. were fully paid for and equally participate in dividend. Each share carries a right to one vote at the Company's General Meeting.

OTHER RESERVES	31.12.2023	31.12.2022
Other supplementary capital	27 799	27 799
Statutory supplementary capital	10 854	10 854
Other reserves	30 528	30 528
<b>Total</b>	<b>69 181</b>	<b>69 181</b>

## DIVIDEND

On 22 June 2023, the Company's Ordinary General Meeting adopted a resolution on the payment of dividend from the Company's net profit from 2022. The Ordinary General Meeting set the dividend amount at PLN 18,635,640.60, i.e. PLN 0.60 per 1 share.

The dividend applied to 31 059 401 shares. The Ordinary General Meeting set the record date as 4 August 2023. The dividend was paid on 25 August 2023.

RETAINED EARNINGS	31.12.2023	31.12.2022
Financial result from prior years (published data)	158 787	155 745
Current-period net profit / (loss)	47 477	21 677
Dividend payment	(18 636)	(18 636)
<b>Total</b>	<b>187 628</b>	<b>158 787</b>



## NOTE NO. 17

### Provisions

Provisions for employee benefits are estimated by RAWLPLUG S.A. taking into account length of service, age, inflation rate and annual wage growth.

During 2023, the Company did not participate in any substantial court proceedings, for which provisions would have to be recognised.

	<b>Employee benefit provision</b>	<b>Other provisions</b>
At 01.01.2023	483	2 044
Recognition	64	10 681
Utilisation	0	(10 583)
Release	0	(143)
<b>At 31.12.2023</b>	<b>547</b>	<b>1 999</b>
<i>Non-current</i>	547	52
<i>Current</i>	0	1 947

	<b>Employee benefit provision</b>	<b>Other provisions</b>
At 01.01.2022	634	1 775
Recognition	67	8 797
Utilisation	0	(8 465)
Release	(218)	(63)
<b>At 31.12.2022</b>	<b>483</b>	<b>2 044</b>
<i>Non-current</i>	483	42
<i>Current</i>	0	2 002

## NOTE NO. 18 Financial liabilities

In 2023, the Company did not infringe on any material contractual provisions relating to loans and borrowings.

The carrying amount of loans and borrowings as at 31 December 2023 was PLN 353 151 thousand.

As at 31 December 2023 RAWLPLUG S.A. did not have any overdue principal or interest payments under credit facilities.

Information regarding the value of the Company's assets constituting credit collateral is presented in Notes 8 and 13.

### CREDIT FACILITIES AND OTHER DEBT

		At 31.12.2023	At 31.12.2022
NON-CURRENT	Credit facilities	214 436	261 029
	Loans	44 746	59 101
	Lease liabilities	20 319	12 480
	<b>Total</b>	<b>279 501</b>	<b>332 610</b>
CURRENT	Credit facilities	87 178	6 429
	Loans	6 791	20 199
	Lease liabilities	10 756	11 981
	Factoring liabilities	51 068	42 864
	Other financial liabilities	75	92
<b>Total</b>	<b>155 868</b>	<b>81 565</b>	
<b>Total</b>	<b>435 369</b>	<b>414 175</b>	

	At 01.01.2023	Increases	Decreases	At 31.12.2023
Loans and borrowings	346 758	1 555 351	(1 548 958)	353 151

	At 31.12.2023		At 31.12.2022	
	Available limits not reduced by utilisation	Utilisation	Available limits not reduced by utilisation	Utilisation
Open lines of credit	428 599	353 151	437 500	346 758

All loans bear interest at variable rates based on:

- WIBOR 1M reference rate, which on 31 December 2023 was 5,80%,
- WIBOR 3M reference rate, which on 31 December 2023 was 5,88%.

Loans received from subsidiaries in 2023 bear interest at variable rates based on:

- EURIBOR 1M reference rate, which on 31 December 2023 was 3,85%,
- 30-DAY AVERAGE SOFR reference rate, which on 31 December 2023 was 5,34%.
- WIBOR 3M reference rate, which on 31 December 2023 was 5,88%.

As at 31 December 2023 the Company used reverse factoring in an indefinite arrangement with BNP Paribas Faktoring Sp. z o.o.

The carrying amount of lease liabilities is regarded by the Company as being a reasonable approximation of their fair value. Information on the maturities of financial liabilities is presented in note 27.

#### NON-CURRENT CREDIT LIABILITIES

Borrower	Lender	Contractual value [PLN]	Contractual value (currency)	Value to be repaid [PLN]	Value to be repaid (currency)	Repayment date
Rawlplug S.A.	ING Bank Śląski S.A.	Limit 110 000	-	69 618	-	30.04.2025
Rawlplug S.A.	PKO Bank Polski S.A.	Limit 150 000	-	144 818	-	22.09.2025

#### CURRENT CREDIT LIABILITIES

Borrower	Lender	Contractual value [PLN]	Contractual value (currency)	Value to be repaid [PLN]	Value to be repaid (currency)	Repayment date
Rawlplug S.A.	Bank Handlowy w Warszawie	10 000	-	6 924	-	no deadline
Rawlplug S.A.	Bank Handlowy w Warszawie	90 000	-	80 254	-	02.02.2024

#### PAYMENTS RELATED TO NON-CURRENT LEASES

	At 31.12.2023
Land and buildings	535
Means of transport	889
Technical equipment and machinery	68
Other	442
<b>Total</b>	<b>1 934</b>

## NOTE NO. 19

### Trade and other payables and accruals

The carrying amount of trade payables is regarded by the Company as being a reasonable approximation of their fair value.

	<u>At 31.12.2023</u>	<u>At 31.12.2022</u>
Trade and other	94 027	101 937
Taxes, duties, insurance and similar	4 767	4 065
Remuneration-related liabilities	3 720	3 277
Liabilities connected with purchase of property, plant and equipment	3 799	2 093
Other	2 020	2 377
<b>Total</b>	<b>108 333</b>	<b>113 749</b>
<i>Non-current</i>	<i>0</i>	<i>0</i>
<i>Current</i>	<i>108 333</i>	<i>113 749</i>
<b>Deferred revenues, including:</b>	<b>131</b>	<b>136</b>
Other	131	136
<b>Deferred revenues and accruals, including:</b>	<b>6 505</b>	<b>6 454</b>
Provision for liabilities due to future deliveries	513	224
Provision for unused vacation time	2 210	1 879
Provision for bonuses	3 782	4 351
<b>Total</b>	<b>6 636</b>	<b>6 590</b>
<i>Non-current</i>	<i>131</i>	<i>136</i>
<i>Current</i>	<i>6 505</i>	<i>6 454</i>

## NOTE NO. 20

### Income tax

The annual tax rate in applicable to the Company in 2023 was 19%.

INCOME TAX RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS	01-12.2023	01-12.2022
<b>Current tax</b>	<b>1 329</b>	<b>4 268</b>
Income tax for the reporting period	1 329	4 268
<b>Deferred tax</b>	<b>(3 323)</b>	<b>2 056</b>
Decrease (increase) due to recognition and reversal of temporary differences	(3 323)	2 056
<b>Total income tax recognised in the statement of profit and loss</b>	<b>(1 994)</b>	<b>6 324</b>

CURRENT INCOME TAX	At 31.12.2022	At 31.12.2021
Current income tax receivables	2 131	955
Current income tax liabilities	0	0

Deferred tax assets	01.01.2022	Credit / (debit)	31.12.2022	Credit / (debit)	31.12.2023
Non-taxable costs of the period	4 932	196	5 128	1 785	6 913
Provisions	1 404	133	1 537	25	1 562
Other	5 770	2 236	8 006	4 170	12 176
<b>Total</b>	<b>12 106</b>	<b>2 565</b>	<b>14 671</b>	<b>5 980</b>	<b>20 651</b>

Deferred tax provision	01.01.2022	Credit / (debit)	31.12.2022	Credit / (debit)	31.12.2023
Difference between carrying amount and tax value of tangible assets and intangible assets	5 827	1 004	6 831	3 466	10 297
Other	3 178	3 617	6 795	( 809)	5 986
<b>Total</b>	<b>9 005</b>	<b>4 621</b>	<b>13 626</b>	<b>2 657</b>	<b>16 283</b>

## NOTE NO. 21

### Off-balance sheet items

As at 31 December 2023, RAWLPLUG S.A. held contingent liabilities on sureties and guarantees granted to subsidiaries for the repayment of their liabilities in total amounting to PLN 20 078 thousand, as presented in the following table.

Entity receiving the surety/guarantee	Beneficiary	31.12.2023	31.12.2022
Koelner Rawlplug IP Sp. z o.o.	CMC Poland Sp. z o.o.	20 000	20 000
Rawlplug France SAS	Arval Partners Cofiparc SAS	78	78
	<b>Total</b>	<b>20 078</b>	<b>20 078</b>



## NOTE NO. 22

### Transactions with related parties

All transactions between related parties were executed on market terms.

Comparative data concerning items in the statement of profit and loss are shown for the period 01-12.2022, comparative date concerning the financial situation as at 31 December 2022

TRANSACTIONS WITH SUBSIDIARIES	01-12.2023	01-12.2022
Sale of products, goods, materials and services	222 395	229 241
Purchase of goods, materials and services	169 595	166 803
Other operating revenues	88 163	15 588
Purchase of property, plant and equipment	350	35
Other costs	6 754	4 662
	<b>31.12.2023</b>	<b>31.12.2022</b>
Liabilities	30 885	39 031
Receivables	68 566	52 504
Loans and borrowings granted	49 772	49 023
Loans and borrowings received	50 796	78 590

*Concerns transactions with the following entities: Koelner Rawlplug IP Sp. z o.o., Rawlplug Ltd, Rawlplug Ireland Ltd, Rawlplug France SAS, Koelner Vilnius UAB, Koelner Hungaria Kft, Koelner Deutschland GmbH, Stahl GmbH, Rawl Scandinavia AB, Rawlplug Middle East FZE, Rawlplug Ireland (Export) Ltd, Koelner-Ukraine LLC, Koelner Trading KLD LLC, Rawl Africa (Pty) Ltd, Rawlplug Portugal LDA, Rawlplug Singapore PTE. LTD, Rawlplug Shanghai Trading Co., Ltd, Rawlplug Inc., Rawlplug Products and Services India Private Ltd, JN192 Sp. z o.o., JN192 Sp. z o.o. Sp.k., Rawlplug Australia Pty Ltd, RAWLPLUG SPL Sp. z o.o., Rawlplug Turkey Insaat Malzemeleri LIMITED SIRKETI, Rawlplug Energia Odnawialna Sp. z o.o., Rawlplug Dystrybucja Sp. z o.o., Rawlplug Inwestycje Sp. z o.o., Rawlplug España, S.L.*

TRANSACTIONS WITH THE PARENT	01-12.2023	01-12.2022
Other operating revenues	2 272	2 254
	<b>31.12.2023</b>	<b>31.12.2022</b>
Loans and borrowings granted	39 735	40 342

*Concerns transactions with the parent: Amicus Polinae Sp. z o.o.*

TRANSACTIONS WITH KEY PERSONNEL AND THEIR RELATED PARTIES	01-12.2023	01-12.2022
Purchase of goods, materials and services	1 704	2 603
Other operating revenues	7	7
	<b>31.12.2023</b>	<b>31.12.2022</b>
Liabilities	168	97
Receivables	1	12

*Concerns transactions with members of RAWLPLUG S.A.'s Management Board and Supervisory Board, as well as with their relatives. Radoslaw Koelner - President of the Management Board and co-owner of RAWLPLUG S.A.*



On 23 August 2023, RAWLPLUG S.A. extended the guarantee for Koelner Rawlplug IP Sp. z o.o. in favour of CMC Poland Sp. z o.o. until 31 December 2024. As at 31 December 2023, RAWLPLUG S.A. had contingent liabilities related to sureties and guarantees given to related companies in the total amount of PLN 20,078 thousand. A detailed summary is shown in the table.

Entity receiving the surety	Beneficiary	Liabilities connected with sureties / guarantees issued	Object of collateral	Term of surety / guarantee
Koelner Rawlplug IP Sp. z o.o.	CMC Poland Sp. z o.o.	20 000	supplies / services	31.12.2024
Rawlplug France SAS	Arval Partners Confiparc SAS	78	Credit agreement	31.10.2024

The following table presents liabilities on the sureties and guarantees received by RAWLPLUG S.A. as of 31 December 2023.

Entity issuing the surety	Beneficiary	Level of credit liabilities guaranteed by other entities	Term for which the surety was issued
Koelner Rawlplug IP Sp. z o.o.	ING Lease (Polska) Sp. z o.o.	7 910	01.2025 - 06.2027

## NOTE NO. 23 War in Ukraine

Following Russia's aggression against Ukraine, the Group took a range of measures to both assist Ukrainians and minimise the business risks that arose.

RAWLPLUG S.A. holds shares in a company in Ukraine and two companies in the Russian Federation. The value of this exposure is shown in the table above. Despite the fact that the Parent Company's Management Board monitors risks on an on-going basis, as of the date of this Report it is

31.12.2023						
Company	Stake	Impairment loss on shares	Loans	Impairment loss on loans	Receivables	Impairment loss on receivables
Koelner-Ukraine LLC*	7 621	0	0	0	0	0
Koelner Trading KLD LLC*	2 960	0	7 023	0	30	0
Koelner Ltd	3 683	(3 683)	0	0	3 625	(3 625)

\* not subject to consolidation as at 31 December 2023.

not in a position to estimate the impact of the war in Ukraine on future results, as the impact will also depend on factors that are beyond the control of RAWLPLUG S.A. and the RAWLPLUG Group. If new significant events related to the impact of the war in Ukraine on the activities of

RAWLPLUG S.A. and RAWLPLUG Group take place and if credible estimates of the potential impact of this factor on the results of the Company or Group are obtained, the Parent's Management Board will disclose the relevant information through current reports. Koelner Ltd

does not conduct operations in Russia since 2015. In connection with this, RAWLPLUG S.A. recognised a provision for its stake and receivables also in 2015. The stake has been fully written off.

## NOTE NO. 24

### Currency risk

RAWLPLUG S.A. operates as both importer and exporter, as a result of which currency risk is largely limited.

The Company did not execute any currency risk hedging transactions in 2023. Monetary assets and liabilities expressed in currencies other than the functional currency, after translation into PLN, as at 31 December 2023 are presented below.

Currency	Trade receivables - gross	Other receivables gross	Loans granted	Advance payments	Cash	Trade payables	Other liabilities	Loans and borrowings received
<b>EUR</b>	37 527	273	4 264	155	506	8 133	35 378	45 058
<b>USD</b>	43 067	2 919	55 990	0	9	9 840	2 974	4 298
<b>GBP</b>	923	0	0	0	0	1 618	2 016	6 050
<b>PLN</b>	59 889	6 869	29 498	1 016	277	64 897	56 156	297 745
<b>CNY</b>	109	0	0	0	0	9 504	0	0
<b>AUD</b>	0	0	0	0	0	35	0	0
<b>TOTAL</b>	<b>141 515</b>	<b>10 061</b>	<b>89 752</b>	<b>1 171</b>	<b>792</b>	<b>94 027</b>	<b>96 524</b>	<b>353 151</b>

Presented here is an analysis of the sensitivity of Group earnings to changes in financial assets and liabilities due to fluctuations of EUR, USD, GBP and HUF to PLN. The sensitivity analysis assumes a 10% increase in exchange rates from the closing rate on 31 December 202 (a decrease in exchange rates would have the same effect, but with the other sign).

	GBP	EUR	USD	CNY	AUD	Total
Trade receivables	92	3 753	4 307	11	0	8 163
Other receivables	0	27	292	0	0	319
Loans and borrowings granted	0	426	5 599	0	0	6 025
Advances for fixed assets, intangible assets, inventories	0	16	0	0	0	16
Cash and cash equivalents	0	51	1	0	0	52
<b>Total financial assets</b>	<b>92</b>	<b>4 273</b>	<b>10 199</b>	<b>11</b>	<b>0</b>	<b>14 575</b>
Trade and other payables	(162)	(813)	(984)	(950)	(4)	(2 913)
Other liabilities	(202)	(3 538)	(297)	0	0	(4 037)
Loans and borrowings	(605)	(4 506)	(430)	0	0	(5 541)
<b>Total financial liabilities</b>	<b>(969)</b>	<b>(8 857)</b>	<b>(1 711)</b>	<b>(950)</b>	<b>(4)</b>	<b>(12 491)</b>
<b>Effect on gross result before tax</b>	<b>( 877)</b>	<b>(4 584)</b>	<b>8 488</b>	<b>(939)</b>	<b>(4)</b>	<b>2 084</b>

## NOTE NO. 25

### Interest rate risk

RAWLPLUG S.A. currently holds variable-interest rate liabilities, and is therefore subject to interest rate risk.

Presented below is an analysis of the sensitivity of the Group's earnings to changes in interest rates.

	Basis for calculating interest	Impact on gross result	Impact on net result
Loans and borrowings granted	89 004	890	721
<b>Total financial assets</b>	<b>89 004</b>	<b>890</b>	<b>721</b>
Loans and borrowings received	51 537	( 515)	(417)
Credit facilities	101 614	(1 016)	(823)
Leases	31 075	(311)	(252)
Other	51 143	(511)	(414)
<b>Total financial liabilities</b>	<b>235 369</b>	<b>(2 353)</b>	<b>(1 906)</b>
	<b>TOTAL</b>	<b>(1 463)</b>	<b>(1 185)</b>

Given the macroeconomic situation, a deviation corresponding to a change of 1.0 percentage points from the current interest rates is assumed.

The effect of changes in market interest rates on the financial result was calculated as the product of variable interest-rate financial asset and liability balances, and an assumed divergence, i.e. +1.0 percentage points (a divergence of -1.0 percentage points will have the same effect, but with the other sign).

On 8 December 2021, the Company entered into one interest rate SWAPs with Citi Handlowy Bank Handlowy w Warszawie S.A. for the amount of PLN 100 million with the maturity date of 12.2024.

On 26 January 2022, the Company executed two IRSs with BNP Paribas Bank Polska S.A. for PLN 100 million, with the maturity date of 01.2025. The total amount of interest rate hedges is PLN 200 million - the value of credit facilities subject to interest rate risk has been reduced by this amount.



## NOTE NO. 26

### Credit risk

RAWLPLUG S.A.'s customers who are granted trade limits are subject to verification procedures, and their receivables are continuously monitored.

In the case of overdue receivables, sales are suspended and a debt recovery process is initiated, as per the current procedures in place. Credit risk is further limited due to the size and high degree of diversification of the Company's client base.

RAWLPLUG S.A. does not have debtors whose receivables would exceed 5% of total receivables. In consequence, the Company is not exposed to a material concentration of credit risk.

	<b>At 31.12.2023</b>	<b>At 31.12.2022</b>
Trade receivables, including:	128 974	109 768
On time	74 034	69 161
Overdue, including:	54 940	40 607
a) up to 1 month	14 116	14 285
b) between 1 and 3 months	8 411	9 669
c) between 3 and 6 months	9 142	7 965
d) between 6 months and 1 year	13 157	5 640
e) over 1 year	10 114	3 048

MAXIMUM EXPOSURE TO CREDIT RISK  
IS ESTABLISHED USING THE CARRYING AMOUNT OF THE FOLLOWING  
FINANCIAL ASSETS:

	<b>At 31.12.2023</b>	<b>At 31.12.2022</b>
Loans and borrowings granted	89 004	88 805
Trade receivables and other financial receivables	132 586	111 828
Cash and cash equivalents in bank accounts	792	1 843

The table below presents the ageing of net trade receivables that were not been subject to impairment, from the end of the reporting period.

RAWLPLUG S.A.'s main practice in managing credit risk is to strive to execute transactions only with entities with proven credibility. Potential customers are subject to the Company's verification procedures when issuing trade credit limits. On-going monitoring of trade receivables by counterparty serves to reduce the credit risk associated with these assets.

RAWLPLUG S.A. has built a model for estimated the expected losses on its receivables portfolio. A simplified version of the model was used for trade receivables, involving the calculation of loss for the instrument's entire life-cycle. The model for other assets assumes, for instruments for which the increase in credit risk since initial recognition has not been significant or the risk is low, the recognition of default losses for the following 12-month period first.

	Indicator of impairment	Value gross	Impairment	Value net
<b>Trade receivables, including:</b>		<b>141 515</b>	<b>12 542</b>	<b>128 973</b>
<b>On time</b>	<b>0,00%</b>	<b>74 034</b>	<b>0</b>	<b>74 034</b>
<b>Overdue, including:</b>	<b>19,00%</b>	<b>67 481</b>	<b>12 542</b>	<b>54 939</b>
a) up to 1 month	0,00%	14 116	0	14 116
b) between 1 and 3 months	0,00%	8 411	0	8 411
c) between 3 and 6 months	4,00%	9 475	334	9 142
d) between 6 months and 1 year	6,00%	14 033	876	13 157
e) over 1 year	53,00%	21 446	11 332	10 114

For loans granted, the Company considers them to feature low credit risk if they are not past due at the verification date and the borrower confirms the debt balance. The Company assumes that a significant rise in risk occurs when payment is more than 60 days past due. If credit risk significantly rises, losses appropriate to the instrument's entire life-cycle are recognised.

The Company considers that non-performance of an obligation takes place when payment is 90 days past due or other circumstances indicating this occur. Items for which non-performance of an obligation by the

debtor is identified, understood as above, are treated by the Company as impaired financial assets due to credit risk.

Within trade receivables, which constitute the most significant class of assets exposed to credit risk, the Company is not exposed to credit risk associated with a single major counterparty. In consequence, impairment estimates are done on a group basis, and receivables are grouped by period past due. Gross values for each group and amount of impairment at 31 December 2023 were as follows:

The amount of impairment on receivables from entities outside RAWLPLUG Group is determined in accordance with the policy, respectively for receivables not overdue: 1%, overdue by 6 months - 1 year: 50%, overdue by more than 1 year: 100%. Intra-group receivables are assessed individually and an impairment loss is recognised when there is a risk of non-payment.

The Company does not accept collateral for trade receivables. As part of its operations, the Group does not purchase impaired financial assets due to credit risk.



## NOTE NO. 27

### Liquidity risk

RAWLPLUG S.A. manages liquidity through the on-going monitoring of liabilities due, forecasting cash flows and appropriate cash management.

#### AGE STRUCTURE OF TRADE LIABILITIES FROM THE END OF THE REPORTING PERIOD IN WHICH THEY WERE DUE

	At 31.12.2023	At 31.12.2022
Trade payables, including:	<b>94 027</b>	<b>101 937</b>
On time	<b>72 351</b>	<b>62 564</b>
Overdue, including:	<b>21 676</b>	<b>39 373</b>
a) up to 1 month	13 427	18 326
b) between 1 and 3 months	4 548	15 881
c) between 3 and 6 months	675	4 009
d) between 6 months and 1 year	610	885
e) over 1 year	2 416	272

At 31.12.2023	Current up to 6 months	Current up to 12 months	Non-current 1 to 3 years
Credit facilities	80 254	6 924	214 436
Loans	0	6 791	44 746
<b>Total exposure to liquidity risk</b>	<b>80 254</b>	<b>13 715</b>	<b>259 182</b>

At 31.12.2023	Current up to 12 months	Non-current 1 to 3 years
Lease liabilities	10 756	20 319
Trade and other liabilities	108 333	0
Other financial liabilities	51 143	0
<b>Total exposure to liquidity risk</b>	<b>170 232</b>	<b>20 319</b>

At 31.12.2022	Current up to 6 months	Current up to 12 months	Non-current 1 to 3 years
Credit facilities	0	6 429	261 029
Loans	0	20 199	59 101
<b>Total exposure to liquidity risk</b>	<b>0</b>	<b>26 628</b>	<b>320 130</b>

At 31.12.2022	Current up to 12 months	Non-current 1 to 3 years
Lease liabilities	11 981	12 480
Trade and other liabilities	113 750	0
Other financial liabilities	42 956	0
<b>Total exposure to liquidity risk</b>	<b>168 687</b>	<b>12 480</b>

## NOTE NO. 28 Capital management

RAWLPLUG S.A. manages capital in order to ensure that it continues as a going concern and provides an appropriate rate of return for its shareholders and other entities interested in its financial condition.

RAWLPLUG S.A. monitors the level of its capital based on the value of equity recognised in the balance sheet. The Group aims to maintain the equity-to-assets ratio at a level of no less than 0.4.

Furthermore, to monitor the level of debt, the Company calculates the net debt (i.e. liabilities due to leases, credits, loans and other debt instruments, adjusted by cash to operating results adjusted by depreciation) to EBITDA (operating result before depreciation and amortisation) ratio. As at 31 December 2023, the ratio was 23,00.

The Company subject to external capital requirements (covenants in credit agreements). At the balance sheet date, no financial covenants in credit agreements were breached.

Margins on other credit facilities remain at levels specified in the relevant agreements.



## NOTE NO. 29

### Remuneration of management and supervisory personnel

01-12.2023	Remuneration at RAWLPLUG S.A.
Management Board	154
Supervisory Board	208

01-12.2022	Remuneration at RAWLPLUG S.A.
Management Board	142
Supervisory Board	201

## NOTE NO. 30.

### Events after the end of the reporting period

On 26 January 2024, the Company granted Rawlplug 5PL Sp. z o.o. a surety in the amount of PLN 10 million related to the Working Capital Loan Agreement.

On 28 February 2024, the Company signed an amendment to the Loan Agreement with Bank Handlowy w Warszawie S.A. extending the existing agreement for a further three years, until 26 February 2027.

On 16 March 2024, the Company received information about the death of the Company's Founder and Chairperson of the Supervisory Board, Ms Krystyna Koelner. The Company provided information about the situation by publishing Current Report No. 3/2024. The Supervisory Board is currently composed of five members.

## NOTE NO. 31

### Fair value measurement

It is assumed that the nominal value of current financial assets and current financial liabilities, less estimated adjustments for impairment, is close to fair value. The Company's management believes that the nominal value of non-current financial assets and non-current financial liabilities, less estimated adjustments for impairment and increased by interest accrued until the end of the reporting period, is close to fair value.

During the reporting period, no transfers were made between the first, second and third level of the fair value hierarchy. Only investment properties are measured at level 3. No level changes or measurement methodology changes were made in 2023.

## NOTE NO. 32 Employment

The following table presents average employment for 2023, by work group:

01-12.2023	Employment
Direct production workers	145
Indirect production workers	171
Sales force	356
Other	36
<b>Total</b>	<b>708</b>

## NOTE NO. 33 Explanations concerning sensitivity analyses of impairment tests

Subject to impairment testing were shares in the following companies: Rawlplug France SAS, Rawlplug Vietnam Company Limited, Rawlplug Manufacturing (Thailand) Limited, Rawlplug Singapore Pte. Ltd and Rawl Scandinavia AB. Rawlplug Italy S.R.L., Rawlplug Manufacturing (Thailand) Limited and Rawlplug Vietnam Company Limited were subject to loan impairment test analyses.

The discounted cash flow model was used for the measurement. The starting point for these valuations was budgets prepared for future years by the companies' management and expectations regarding further growth directions.

Assumptions pertaining to the macroeconomic environment in specific markets (inflation, risk-free rate, risk premium) are derived from publicly available economic information and are reflected in the discount rates adopted for the analysed companies. To establish the residual value of cash flows beyond the forecast period, a perpetual annuity was used.

According to Rawlplug Group's strategy, its companies will continue to focus on technically specialised assortment that is a source of competitive advantage and above-average margins, whilst ensuring an appropriate and justified level of operating costs. Taking into account the above factors and continuous monitoring of these entities' financial situation, the valuation assumptions adopted give no grounds for recognising impairment.

### Rawlplug France SAS

The calculation for the impairment test of the goodwill item for Rawlplug France SAS was made using the discounted cash flow method. The calculation was based on a budget for 2024 prepared by the company's management and estimated data for 2025-2028.

The discount rate applied was calculated using Rawlplug France SAS's actual financial data, as well as interest rates from external information sources and was determined in accordance with the method appropriate for companies with this equity structure.

The estimation of the company's value was made on the assumption of an increase in sales in the following periods resulting from both organic growth of the company's sales in the traditional channel and entry into new high-margin channels, as well as cost optimisation assuming a significant reduction in logistics and warehousing processes carried out in the company. To determine the

residual value, which represents the sale price of the asset at the end of its useful life, concerning cash flows beyond 5 years, the perpetual annuity formula was adopted.

The above calculations do not create grounds for recognising impairment losses. The company is subject to consolidation.

#### **Rawlplug Singapore Pte. Ltd**

The calculation for the impairment test of the goodwill item for Rawlplug Singapore Pte. Ltd was made using the discounted cash flow method. The calculations were based on a 2024 budget prepared by the company's management and estimated data prepared by the Group's management for 2025-2028. The discount rate applied was calculated using Rawlplug Singapore Pte Ltd.'s actual financial data, as well as interest rates from external information sources. In the case of Rawlplug Singapore Pte. Ltd, goodwill was estimated assuming sales growth for the budget period and conservative growth in 2024-2037. To determine the residual value, which means the selling price of the asset at the end of its useful life, concerning cash flows beyond 15 years, the perpetual annuity formula was adopted.

The above calculations do not create grounds for recognising impairment losses. The company is subject to consolidation.

#### **Rawlplug Vietnam Company Limited**

The calculation for the impairment test of the goodwill item for Rawlplug Vietnam Company Limited was made using the discounted cash flow method. The calculations were based on a budget for 2024 prepared by the company's management and estimated data for 2025-2028. The discount rate applied was calculated using Rawlplug Vietnam Company Limited's actual financial data, as well as interest rates from external information sources. In the case of Rawlplug Vietnam Company Limited, the estimation of the company's value was made assuming growth in sales for the budgeted period resulting from the expansion of the company's production portfolio (increasing production capacity and product range) and further product development between 2025 and 2028. To determine the residual value, which represents the sale price of the asset at

the end of its useful life, concerning cash flows beyond 5 years, the perpetual annuity formula was adopted.

The above calculations do not create grounds for recognising impairment losses. The company is subject to consolidation.

#### **Rawlplug Manufacturing (Thailand) Limited**

The calculation for the impairment test of the goodwill item for Rawlplug Manufacturing (Thailand) Limited was made using the discounted cash flow method. The calculations were based on a 2024 budget prepared by the company's management and estimated data prepared by the Group's management for 2025-2038. The discount rate applied was calculated using Rawlplug Manufacturing (Thailand) Limited's actual financial data, as well as interest rates from external information sources. To determine the residual value, which represents the sale price of the asset at the end of its useful life, concerning cash flows beyond 15 years, the perpetual annuity formula was adopted.

The above calculations do not create grounds for recognising impairment losses. The company is subject to consolidation.

#### **Rawlplug Italy S.R.L.**

The calculation for the impairment test of the goodwill item for Rawlplug Italy S.R.L. was made using the discounted cash flow method. The calculations were based on a 2024 budget prepared by the company's management and estimated data prepared by the Group's management for 2025-2028. The discount rate applied was calculated using Rawlplug Italy S.R.L.'s actual financial data, as well as interest rates from external information sources. In the case of Rawlplug Italy S.R.L, goodwill was estimated assuming sales growth for the budget period and conservative growth in 2025-2028. To determine the residual value, which means the selling price of the asset at the end of its useful life, concerning cash flows beyond 5 years, the perpetual annuity formula was adopted.

The above calculations do not create grounds for recognising impairment losses. The company is subject to consolidation.

### Rawl Scandinavia AB

The calculation for the impairment test of the goodwill item for Rawl Scandinavia AB was made using the discounted cash flow method. The calculations were based on a 2024 budget prepared by the company's management and estimated data prepared by the Group's management for 2025-2028. The discount rate applied was calculated using Rawl Scandinavia AB's actual financial data, as well as interest rates from external information sources. Sales growth for the period

2023-2027 was determined based on inflation projections. To determine the residual value, which represents the sale price of the asset at the end of its useful life, concerning cash flows beyond 5 years, the perpetual annuity formula was adopted.

The above calculations do not create grounds for recognising impairment losses. The company is subject to consolidation.

## NOTE NO. 34

### Statement on non-financial data

The statement on non-financial data of RAWLPLUG S.A. for 2023, prepared in accordance with the Accounting Act of 29 September 1994, is contained in the Management report on the operations of RAWLPLUG Group and RAWLPLUG S.A.

## NOTE NO. 35

### Statutory auditor's fees

The total amount of fees paid or due to be paid pursuant to the agreement concerning audit and review of financial statements, together with fees paid or due to be paid for tax advisory services is presented in the table below:

	2023	2022
Fee for audit of separate financial statements	62	62
Fee for review of separate financial statements	26	26



## SIGNATURES OF MANAGEMENT BOARD MEMBERS AND PERSON RESPONSIBLE FOR BOOK-KEEPING AT RAWLPLUG S.A.

These separate financial statements were approved for publication and signed by RAWLPLUG S.A.'s Management Board.

### RADOSŁAW KOELNER

President of the Management Board of RAWLPLUG S.A.

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### MAREK MOKOT

Vice-President of the Management Board of RAWLPLUG S.A.

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### PIOTR KOPYDŁOWSKI

Member of the Management Board for finance, Rawlplug S.A.

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and the person responsible for book-keeping:

### KONRAD KORCZAK

Director of the Group Accounting and Financial Reporting

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Wrocław, 28 March 2024

# RAWLPLUG®

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