

Mondi SCP, a. s.

**INDEPENDENT AUDITOR'S REPORT
AND SEPARATE FINANCIAL STATEMENTS
(PREPARED IN ACCORDANCE WITH INTERNATIONAL
FINANCIAL REPORTING STANDARDS (IFRS)
AS ADOPTED BY THE EU)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**



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Independent Auditor's Report

To the Shareholders, Supervisory Board, and Board of Directors of Mondi SCP, a.s.:

Our opinion

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of Mondi SCP, a.s. (the "Company") as at 31 December 2024, and the Company's separate financial performance and separate cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

What we have audited

The Company's separate financial statements comprise:

- the separate statement of financial position as at 31 December 2024;
- the separate statement of profit or loss and other comprehensive income for the year then ended;
- the separate statement of changes in equity for the year then ended;
- the separate statement of cash flows for the year then ended; and
- the notes to the separate financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the separate financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements of the Act No. 423/2015 on Statutory Audit and on the amendments and supplements to the Act on Accounting No. 431/2002, as amended (hereafter the "Act on Statutory Audit") that are relevant to our audit of the separate financial statements in the Slovak Republic. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of the Act on Statutory Audit.

Reporting on other information including the Annual Report

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the consolidated and separate financial statements and our auditor's reports thereon).

PricewaterhouseCoopers Slovensko, s.r.o., Karadžičova 2, 815 32 Bratislava, Slovak Republic
T: +421 259 350 111, www.pwc.com/sk/en

The firm's ID No.: 35 739 347. The firm is registered in the Commercial Register of Bratislava III City Court, Ref. No.: 16611/B, Section: Sro. IČO spoločnosti je 35 739 347. Spoločnosť je zapísaná v Obchodnom registri Mestského súdu Bratislava III, pod Vložkou č.: 16611/B, Oddiel: Sro.



Our opinion on the separate financial statements does not cover the other information.

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

With respect to the Annual Report, we considered whether it includes the disclosures required by the Act on Accounting No. 431/2002, as amended (hereafter the "Accounting Act").

Based on the work undertaken in the course of our audit, in our opinion:

- the information given in the Annual Report for the financial year for which the separate financial statements are prepared is consistent with the separate financial statements; and
- the Annual Report has been prepared in accordance with the Accounting Act.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Annual Report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the separate financial statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the separate financial statements

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

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

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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PricewaterhouseCoopers Slovensko, s.r.o.
SKAU licence No. 161

Havald

Ing. Peter Havald, FCCA
UDVA licence No. 1071

10 April 2025
Bratislava, Slovak Republic





Mondi SCP, a. s.
SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2023

<i>(EUR'000)</i>	<i>Note</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Operating activities			
Revenues	5	759,138	712,782
Raw materials and consumables, maintenance	6	(446,531)	(490,973)
Transportation costs		(63,315)	(57,960)
Changes in inventories of finished goods and work in progress		4,944	(11,476)
Other services	7	(39,034)	(39,023)
Personnel costs	8	(59,050)	(50,517)
Depreciation, amortisation expenses and impairment	12,13,25	(54,488)	(56,155)
Other operating income/(expenses), net	9	328	129
Operating profit		101,992	6,807
Finance income	10	3,038	1,226
Finance costs	10	(1,828)	(2,060)
Loss on sale of financial investment	14	-	(30,600)
Finance income/(costs), net		1,210	(31,434)
Profit/(loss) before income tax		103,202	(24,627)
Income tax expense	11	(23,952)	(1,281)
Net profit/(loss) for the reporting period		79,250	(25,908)
Other comprehensive income/(expenses)			
<i>Items that may be reclassified to profit or loss:</i>			
Total items that may be reclassified to profit or loss		-	-
<i>Items that will not be reclassified to profit or loss:</i>			
Gains/(losses) from revaluation of defined benefit plans, net of tax	20	116	11
Total items that will not be reclassified to profit or loss		116	11
Other comprehensive income, net of tax		116	11
Total comprehensive income/(loss) for the year		79,366	(25,897)

Mondi SCP, a. s.
SEPARATE STATEMENT OF FINANCIAL POSITION
as at 31 December 2024

<i>(EUR'000)</i>	<i>Note</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Assets			
Non-current assets			
Intangible assets	12	1,332	1,618
Property, plant and equipment	13	609,769	639,005
Right-of-use assets	25	22,560	25,795
Investments in subsidiaries	14	4,829	4,829
		638,490	671,247
Current assets			
Inventories	15	79,471	67,260
Trade and other receivables	16	104,385	93,194
Current income tax assets	11	-	820
Cash and cash equivalents	17	34,117	25,975
Receivables from cash pooling	27,28	135,418	41,896
		353,391	229,145
TOTAL ASSETS		991,881	900,392
Equity and liabilities			
Capital and reserves			
Share capital	18	153,855	153,855
Other reserves	19	87,162	87,046
Retained earnings		507,614	428,364
TOTAL EQUITY		748,631	669,265
Non-current liabilities			
Loans and borrowings	21	6,667	13,333
Lease liabilities	25	16,762	19,448
Employee benefit plan obligations	20	3,534	3,549
Deferred tax liabilities	22	56,264	39,936
Provisions	23	4,247	2,543
		87,474	78,809
Current liabilities			
Loans and borrowings	21	6,666	6,667
Lease liabilities	25	2,469	2,397
Trade and other payables	24	125,962	124,548
Current income tax liabilities	11	6,224	-
Liabilities from cash pooling	27,28	14,446	18,706
Provisions	23	9	-
		155,776	152,318
TOTAL LIABILITIES		243,250	231,127
TOTAL EQUITY AND LIABILITIES		991,881	900,392

Mondi SCP, a. s.
SEPARATE STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2024

<i>(EUR'000)</i>	<i>Share capital</i>	<i>Capital funds</i>	<i>Other funds</i>	<i>Retained earnings</i>	<i>Total</i>
Balance as at 1 January 2023	153,855	87,550	(515)	454,272	695,162
Profit/(Loss) for the year	-	-	-	(25,908)	(25,908)
Other comprehensive income/(expenses)	-	-	11	-	11
<i>Gains/(losses) from revaluation of defined benefit plans, net of tax</i>	-	-	11	-	11
Total comprehensive profit/(loss) for the year	-	-	11	(25,908)	(25,897)
Balance as at 31 December 2023	153,855	87,550	(504)	428,364	669,265
Profit for the year	-	-	-	79,250	79,250
Other comprehensive income/(expenses)	-	-	116	-	116
<i>Gains/(losses) from revaluation of defined benefit plans, net of tax</i>	-	-	116	-	116
Total comprehensive profit after tax for the year	-	-	116	79,250	79,366
Balance as at 31 December 2024	153,855	87,550	(388)	507,614	748,631

Mondi SCP, a. s.
SEPARATE STATEMENT OF CASH FLOW
for the year ended 31 December 2024

(EUR'000)	Note	Year ended 31 December 2024	Year ended 31 December 2023
Operating activities			
Profit/(loss) before tax		103,202	(24,627)
Non-cash transactions			
- Depreciation, amortisation and impairment	12,13,25	54,488	56,155
- Loss/(profit) from the sale of property, plant and equipment		(305)	(17)
- Loss on sale of financial investment	14	-	30,600
- Interest expense	10	1,828	2,060
- Interest income	10	(2,981)	(1,226)
- Dividends		(57)	-
- (Decrease)/increase in provisions	20,23	1,707	(154)
- Changes in allowances		2,596	1,278
Operating cash flows before movements in working capital		160,478	64,069
Effect of movements in working capital			
- (Increase)/decrease of inventories	15	(14,806)	20,064
- (Increase)/decrease of receivables	16	(11,193)	13,910
- Increase/(decrease) of payables	24	5,584	(73,759)
Cash flows from operating activities before taxation and interest		140,063	24,284
Interest paid		(1,680)	(1,949)
Income tax receipts/(payments)	11	(621)	(8,408)
Cash flows from operating activities, net		137,762	13,927
Investing activities			
Payments for the purchase of property, plant and equipment and intangible assets	12,13,25	(26,122)	(30,219)
Proceeds from sales of property, plant and equipment		311	-
Interest received		2,981	1,226
Received dividends		57	-
Capital contributions to subsidiaries	14	-	(30,600)
(Increase)/decrease in assets from cash pooling	27,28	(93,522)	63,174
Cash flows from investing activities, net		(116,295)	3,581
Financial activities			
Repayment of loans and borrowings	21	(6,666)	(10,076)
Payments of lease liabilities	25	(2,399)	(2,582)
(Decrease)/increase in liabilities from cash pooling	28	(4,260)	15,888
Cash flows from financial activities, net		(13,325)	3,230
Net increase in cash and cash equivalents		8,142	20,738
Cash and cash equivalents at the beginning of the year	17	25,975	5,237
Cash and cash equivalents at the end of the year	17	34,117	25,975

Mondi SCP, a. s.
NOTES TO SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2024

1. GENERAL INFORMATION

a) Basic information about the Company

Business name and seat	Mondi SCP, a.s. Tatranská cesta 3 034 17 Ružomberok
Date of establishment	7 September 1995
Date of incorporation (according to the Commercial Register)	1 October 1995
ID number	31 637 051
Tax identification number	SK2020431116
Business activity of the Company	<ul style="list-style-type: none">- Paper and cardboard production,- Production of pulp,- Production of products from paper and cardboard,- Wholesale of wood,- Heat and electricity generation and distribution, etc.

b) Employees

	<i>Year ended</i> 31 December 2024	<i>Year ended</i> 31 December 2023
Average number of employees	1,280	1,321
<i>of which: management</i>	<i>20</i>	<i>19</i>
<i>other management (not employed)</i>	<i>2</i>	<i>1</i>

c) Approval of the 2023 Financial Statements

The 2023 Financial Statements of Mondi SCP, a.s. were approved at the General Meeting of Shareholders held on 6 June 2024. The financial statements were then deposited in the Collection of Documents. The profit for 2023 was transferred to the retained earnings based on the Shareholders' resolution. No dividend was declared nor paid in 2024.

The Board of Directors may propose to the Company's shareholders the amendment of the financial statements even after their approval by the General Meeting of Shareholders. However, according to §16, sections 9 to 11 of the Slovak Act on Accounting No. 431/2002 Coll., an entity's accounting records cannot be reopened after the financial statements have been prepared and approved. If, after the separate financial statements have been approved, management identifies that the comparative information would not be consistent, the Slovak Act on Accounting No. 431/2002 Coll. allows entities to restate comparative information in the accounting period in which the relevant facts are identified.

Mondi SCP, a. s.
NOTES TO SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2024

d) Members of the Company's Bodies

Members of the Company's Bodies during the financial year ended 31 December 2024 and 31 December 2023:

<i>Body</i>	<i>Function</i>	<i>Name</i>
Board of Directors	Chairman	Miloslav Čurilla
	Vice-chairman	Sakari Samuel Eloranta, from 22 August 2024
	Vice-chairman	Gunilla Saltin, till 26 October 2023
	Member	Joachim Julius Grunewald, from 22 August 2024
	Member	Matjaž Gorjup, till 22 August 2024
	Member	Robert Wagner
Supervisory Board	Member	Thomas Seidl
	Chairman	Andrew Charles Wallis King
	Vice-chairman	Miroslav Vajs
Executive Management	Member	Ján Krasufa
	President of the Company	Joachim Julius Grunewald, from 1 November 2024
	President of the Company	Matjaž Gorjup, till 31 August 2024

There were no changes in the Company's Bodies during the year ended 31 December 2024 and 31 December 2023.

e) Structure of Shareholders and their Share in the Share Capital

<i>Shareholders</i>	<i>Share in Share Capital</i>		<i>Voting Rights</i>
	<i>EUR'000</i>	<i>in %</i>	<i>in %</i>
ECO-INVESTMENT, a. s., Prague	75,389	49	49
Mondi SCP Holdings B.V., Maastricht	78,466	51	51

There was no change in the structure of shareholders and their status in the share capital during the years ended 31 December 2024 and 31 December 2023.

f) Consolidated Financial Statements

Mondi SCP, a.s. Group consists of the subsidiaries and joint ventures presented in the Note 14. Mondi SCP, a.s. prepares both separate financial statements and consolidated financial statements for company Mondi SCP, a.s., in accordance with International Financial Reporting Standards (IFRS)® as adopted by the EU and in accordance with the Slovak Act on Accounting No. 431/2002 Coll.

Mondi SCP, a.s. is a subsidiary of Mondi SCP Holdings B. V, with its registered office in Maastricht, the Netherlands, that owns a 51% share in the Company's registered capital.

The consolidated financial statements for the highest group of companies are prepared by Mondi plc, with its registered office Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG, Great Britain. Mondi, plc., is an ultimate controlling company.

The consolidated financial statements for the smallest group of companies are prepared by Mondi SCP, a.s., with its registered office Tatranská cesta 3, Ružomberok.

The consolidated financial statements are available at the seats of these companies.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

Standards, interpretations and amendments to standards applied by the Company for the first time in 2024

Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (issued on 22 September 2022 and effective for annual periods beginning on or after 1 January 2024). The amendments relate to the sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to subsequently measure liabilities arising from the transaction and in a way that it does not recognise any gain or loss related to the right of use that it retained. This means deferral of such a gain even if the obligation is to make variable payments that do not depend on an index or a rate.

The application of these amendments did not have a significant impact on the Company's financial statements.

Classification of liabilities as current or non-current – Amendments to IAS 1 (originally issued on 23 January 2020 and subsequently amended on 15 July 2020 and 31 October 2022, ultimately effective for annual periods beginning on or after 1 January 2024). These amendments clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities are non-current if the entity has a substantive right, at the end of the reporting period, to defer settlement for at least twelve months. The guidance no longer requires such a right to be unconditional. The October 2022 amendment established that loan covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Management's expectations whether they will subsequently exercise the right to defer settlement do not affect classification of liabilities. A liability is classified as current if a condition is breached at or before the reporting date even if a waiver of that condition is obtained from the lender after the end of the reporting period. Conversely, a loan is classified as non-current if a loan covenant is breached only after the reporting date. In addition, the amendments include clarifying the classification requirements for debt a company might settle by converting it into equity. 'Settlement' is defined as the extinguishment of a liability with cash, other resources embodying economic benefits or an entity's own equity instruments. There is an exception for convertible instruments that might be converted into equity, but only for those instruments where the conversion option is classified as an equity instrument as a separate component of a compound financial instrument.

The application of these amendments did not have a significant impact on the Company's financial statements.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (issued on 25 May 2023 and effective for annual accounting periods beginning on or after 1 January 2024). In May 2023, the IASB responded to concerns from users of financial statements about inadequate or misleading disclosure of financing arrangements and amended IAS 7 and IFRS 7, which now require disclosure of an entity's supplier finance arrangements. These amendments require the disclosures information about supplier finance arrangements that would enable the users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows and on the entity's exposure to liquidity risk. The purpose of the additional disclosure requirements is to enhance the transparency of the supplier finance arrangements. The amendments do not affect the recognition or measurement principles but only introduce additional disclosure requirements.

The application of these amendments did not have a significant impact on the Company's financial statements.

Standards, interpretations and amendments to standards effective after 1 January 2025 and not early adopted by the Company

Lack of Exchangeability - Amendments to IAS 21 (issued on 15 August 2023 and effective for annual accounting periods beginning on or after 1 January 2025). In August 2023, the IASB amended IAS 21 to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. The amendments to IAS 21 do not provide detailed requirements on how to estimate the spot exchange rate, but set out a framework to determine it at the measurement date. When an entity first applies the new requirements, it is not permitted to restate comparative information. The entity is required to translate the affected amounts at estimated spot exchange rates at the date of application, with an adjustment to retained earnings or to the reserve for cumulative translation differences.

The Company is currently assessing the impact of the new standard on its financial statements.

Amendments to the Classification and Measurement of Financial Instruments – Amendment to IFRS 9 and IFRS 7 (issued on 30 May 2024 and effective for annual reporting periods beginning on or after 1 January 2026). On 30 May 2024, the IASB issued an amendment to IFRS 9 and IFRS 7 with the aim to:

- a) Clarify the recognition and derecognition dates of certain financial assets and liabilities, with a new exception for certain financial liabilities settled through an electronic payment system,
- b) Clarify and add guidance on assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion,
- c) Add new disclosures for certain instruments where cash flows may vary according to contractually agreed criteria (e.g., instruments with conditions related to achieving environmental, social and governance (ESG) targets), and
- d) Update disclosures for equity instruments measured at fair value through other comprehensive income (FVOCI).

The Company is currently assessing the impact of this amendment on its financial statements.

Annual Improvements to IFRS Accounting Standards (issued in July 2024 and effective from 1 January 2026). IFRS 1 has been clarified to state that hedge accounting should be discontinued upon transition to IFRS accounting standards if it does not meet the "qualifying criteria," rather than if it does not meet the "conditions" for hedge accounting. The aim was to resolve potential ambiguities arising from inconsistencies between the wording in IFRS 1 and the hedge accounting requirements in IFRS 9.

IFRS 7 requires the disclosure of gains or losses on derecognition of a financial asset in which the entity has continuing involvement, including disclosure of whether the fair value measurement included "significant unobservable inputs." This wording replaced the reference to "significant inputs not based on observable market data." The amendment aligns the wording in IFRS 7 with IFRS 13. Additionally, certain examples in the implementation guidance of IFRS 7 have been clarified, and text has been added to indicate that examples do not necessarily illustrate all the requirements of the referenced IFRS 7 paragraphs.

IFRS 16 has been amended to clarify that when a lessee assesses that a lease liability should be derecognised in accordance with IFRS 9, it must apply the rules in IFRS 9 to recognise any gain or loss from this transaction in profit or loss. This amendment applies to lease liabilities derecognised on or after the beginning of the annual reporting period in which the entity first applies this amendment. To resolve the inconsistency between IFRS 9 and IFRS 15, trade receivables should initially be recognised at the "amount determined by applying the IFRS 15 standard" instead of "their transaction price (as defined in IFRS 15)".

Mondi SCP, a. s.
NOTES TO SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2024

IFRS 10 has been amended to use less prescriptive language regarding when an entity is a "de facto agent." The amendment also clarified that the relationship described in paragraph B74 of IFRS 10 is merely one example of circumstances where judgement is required to determine whether an entity is a "de facto agent."

In IAS 7, a reference to the "cost method" has been corrected, which was removed from IFRS accounting standards in May 2008 when the IASB issued the amendment "Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate."

The Company is currently assessing the impact of this amendment on its financial statements.

Contracts Referencing Nature-dependent Electricity: Amendment to IFRS 9 and IFRS 7 (issued on 18 December 2024 and effective from 1 January 2026). The aim of the issued amendment was to help entities improve the reporting of the financial impacts of electricity contracts dependent on natural conditions, which are often structured as power purchase agreements (PPAs). Current accounting requirements may not adequately capture how these contracts affect an entity's financial performance. The IASB issued targeted amendments to IFRS 9, Financial Instruments, and IFRS 7, Financial Instruments: Disclosures, to better reflect these contracts in the financial statements. The amendment includes:

- a) Clarification of the application of the "own use" exemption criteria,
- b) Easing certain hedge accounting requirements when these contracts are used as hedging instruments, and
- c) Adding new disclosure requirements to provide investors with information on the impact of these contracts on the entity's financial performance and cash flows.

The Company is currently assessing the impact of this amendment on its financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024 and effective for annual reporting periods beginning on or after 1 January 2027). In April 2024, the IASB issued IFRS 18, a new standard for presentation and disclosure in financial statements, focusing on changes to the statement of profit or loss. The new key concepts introduced by IFRS 18 relate to:

- The structure of the statement of profit or loss,
- Required disclosures in the financial statements for certain performance measures reported outside the financial statements (i.e., management-defined performance measures), and
- Expanded principles of aggregation and disaggregation, applicable to primary statements as well as notes in general.

IFRS 18 will replace IAS 1, with many existing principles in IAS 1 retained with limited changes. IFRS 18 will not affect the recognition or measurement of individual items in the financial statements but may change what an entity reports as "operating profit or loss." IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and applies to comparative information as well.

The Company is currently assessing the impact of this amendment on its financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024 and effective for annual reporting periods beginning on or after 1 January 2027). The International Accounting Standards Board (IASB) has issued a new IFRS accounting standard for subsidiaries. IFRS 19 permits eligible subsidiaries to use IFRS accounting standards with limited disclosures. The use of IFRS 19 will reduce the costs of preparing financial statements for subsidiaries while maintaining the usefulness of information for users of their financial statements. Subsidiaries using existing IFRS accounting standards for their own financial statements provide disclosures that may be disproportionate to the informational needs of their users. IFRS 19 addresses this by:

- Allowing subsidiaries to maintain only one set of accounting records – to meet the needs of their parent company and users of their financial statements, and
- Reducing disclosure requirements – IFRS 19 permits limited disclosures that better suit the needs of users of subsidiaries' financial statements.

The Company is currently assessing the impact of this amendment on its financial statements.

Amendments have been published but rejected or deferred by the EU

IFRS 14, Regulatory Deferral Accounts (standard issued on 30 January 2014 and effective for accounting periods beginning on or after 1 January 2016). IFRS 14 allows an entity that is adopting IFRS for the first time to continue reporting amounts related to rate regulation in accordance with its previous accounting standards. To enhance comparability with entities that already apply IFRS and do not report such amounts, the standard requires the effect of rate regulation to be presented separately from other items. An entity that already prepares financial statements in accordance with IFRS is not permitted to apply this standard.

The European Commission decided not to initiate the endorsement process for this interim standard and to wait for the final standard.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendment to IFRS 10 and IAS 28 (issued on 11 September 2014 and effective for annual periods beginning on a date to be determined by the IASB). This amendment addresses the inconsistency between the requirements of IFRS 10 and IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The most significant impact of this amendment is the recognition of the full gain or loss on the transaction when it involves a business. If the transaction involves assets that do not constitute a business, a partial gain or loss is recognised, even if the transferred assets are owned by a subsidiary.

The European Commission has not yet endorsed this amendment. The Company is currently assessing its impact on its financial statements.

3. SIGNIFICANT ACCOUNTING PRINCIPLES

a) Statement of Compliance

The financial statements represent the separate financial statements of Mondi SCP, a.s., which have been prepared for the reporting period from 1 January 2024 to 31 December 2024 in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and in accordance with the Slovak Act on Accounting No. 431/2002 Coll. IFRS as adopted by the EU do not differ from IFRS as issued by the International Accounting Standards Board (IASB), except for certain standards and interpretations, which were not endorsed by the EU, as stated above. In accordance with the Slovak Act on Accounting No. 431/2002 Coll. as amended, the Company is also required to prepare consolidated financial statements in accordance with IFRS as adopted by the EU.

b) Basis of Preparation of the Financial Statements

The financial statements were prepared under the historical cost convention, except for certain financial instruments that are premeasured to fair value. The principal accounting policies adopted are set out below. The reporting currency used in these financial statements is the euro (EUR) rounded to the nearest thousand (EUR '000) unless indicated otherwise.

These financial statements were prepared under the going concern assumption.

The preparation of financial statements in conformity with IFRS as adopted by the EU requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are discussed in Note 4.

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

The accounting policies set out below have been applied consistently to all periods presented in the financial statements.

c) Foreign Currency

(i) Functional and presentation currency of the financial statements

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The separate financial statements are presented in EUR, which is the functional currency and also the presentation currency of the Company's financial statements.

(ii) *Transactions in foreign currencies*

Transactions in foreign currencies are translated into euros using the rates on the exchange rate list of the European Central Bank (ECB) that are valid on the transaction date. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Exchange differences arising on the retranslation of monetary items are included in the statement of profit or loss and other comprehensive income for the period. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated at the foreign exchange rate ruling at the date of transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated to the reporting currency at the rates prevailing on the date when the fair value was determined. Exchange differences are included in the statement of profit or loss and other comprehensive income for the current financial period except for differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income.

d) Financial Instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party of the contractual provisions of the financial instrument.

Financial assets and financial liabilities are initially recognised at fair value.

Fair value is the price that would be received on the sale of an asset or price paid to transfer a liability in a normal transaction between market participants at the measurement date. The best evidence of fair value is the price in an active market. An active market is a market in which an asset or liability transaction takes place often enough and in such a volume that it can provide price information on an ongoing basis.

Transaction costs are additional costs that can be directly attributed to the acquisition, issue or disposal of a financial instrument. Additional costs are those that would not have occurred if the transaction had not taken place. Transaction costs include fees and commissions paid to agents (including employees acting as sellers), advisors, intermediaries and traders, payments to regulatory agencies and stock exchanges, and given and transfer fees. Transaction costs do not include bonuses or discounts on debt instruments, financing costs or internal administrative costs or maintenance costs.

Amortised cost is the amount for which a financial instrument was recognised on initial recognition less any principal repayments plus accrued interest and for financial assets less any valuation allowance for expected credit losses („ECL“). Accrued interest includes the amortisation of transaction costs accrued on initial recognition and any premium or discount on the debt instrument to maturity using the effective interest method. Accrued interest income and accrued interest expense, including accrued coupon and amortised debt instrument discount or premium (including any accrued charges), are not reported separately and are included in the carrying amounts of related items in the statement of financial position.

The effective interest method is a method of allocating interest income or interest expense over the relevant period, so as to achieve a constant periodic rate of interest (effective interest rate) on the carrying amount. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (excluding future credit losses) through the expected life of the financial instrument or a shorter period, if appropriate, to the gross carrying amount of the financial instrument. The effective interest rate discounts cash flows of variable interest instruments to the next interest repricing date, except for the premium or discount which reflects the credit spread over the floating rate specified in the instrument, or other variables that are not reset to market rates. Such premiums or discounts are amortised over the whole expected life of the instrument. The present value calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate.

Initial recognition of financial instruments. All financial instruments are initially recognised at fair value adjusted for transaction costs. The fair value at initial recognition is best demonstrated by the transaction price. A gain or loss on initial recognition is recognised only when there is a difference between fair value and transaction price that can be evidenced by other current market transactions of the same instrument or valuation technique whose inputs include only observable market data.

Financial assets - classification and subsequent valuation - valuation categories. The Company classifies amortised cost financial assets at fair value through profit or loss ("FVTPL"). The classification and subsequent measurement of financial assets depends on: (i) the Company's business model of related asset management and (ii) properties of assets cash flows.

Financial assets - classification and subsequent valuation - business model. The business model reflects the way the Company manages assets for the purpose of generating cash flows, i.e. whether it is the purpose of the Company to: (i) exclusively collect contractual cash flows from these assets (held for the purpose of collecting contractual cash flows), or (ii) collecting contractual cash flows from the sale of assets (held for the purpose of collecting contractual cash flows from selling these assets) or if none of the items (i) and (ii) is applicable, financial assets are classified as part of an "other" business model and measured at fair value through profit or loss. („FVTPL“).

The business model is designed for an asset group (at the portfolio level) based on all relevant evidence of the Company's operations to achieve the objective set for the portfolio available on the valuation date. The factors considered by the Company when determining a business model include the purpose and composition of the portfolio and past experience of how cash flows for the relevant assets have been collected. The business model used by the Company is intended to hold financial assets to maturity and to collect contractual cash flows.

Financial assets - classification and subsequent valuation - cash flow characteristics. If the business model is intended to hold assets to collect contractual cash flows or to hold financial assets to collect cash flows and sales, the Company assesses whether cash flows represent solely principal and payments of interest ("SPPI"). In making this assessment, the Company assesses whether the contractual cash flows are consistent with the underlying loan arrangements, i. j. interest includes only taking into account credit risk, time value of money, other underlying credit risks and profit margins.

If the terms and conditions impose a risk or volatility exposure that is inconsistent with the underlying lending arrangements, the financial asset is classified and measured on an FVTPL basis. The SPPI assessment is carried out on initial recognition of the asset and is not subsequently reviewed.

The Company holds only trade receivables, cash pooling assets and cash and cash equivalents. The characteristics of these financial assets are short-term and contractual cash flows represent the principal and interest payments that reflect the time value of money and are therefore valued by the Company at amortised cost.

Financial assets - reclassification. Financial instruments are reclassified only when the business model changes to portfolio management as a whole. This reclassification is applied prospectively and is applicable from the beginning of the first reporting period following the change of business model. The Company did not change its business model during the current period and did not perform any reclassifications.

Impairment of Financial Assets - Allowance for Expected Credit Losses („ECL“). The Company applies a simplified ECL model under IFRS 9 to trade receivables to assess impairment of receivables. ECL is defined as the present value of all impairments during the expected life of the receivable. The Company designates ECL, based on historical experience of impairment of trade receivables, adjusted for information about current economic conditions and reasonable estimates of future economic conditions. In the initial recognition of a receivable, credit losses expected by the total useful life of the receivable are recognised as a provision.

Financial assets - depreciation. The Company will write off all or part of the financial assets when the Company has used all the practical options for recovering those assets and there is no reasonable expectation of recovering those assets.

Financial assets - derecognition. The Company ceases to recognize financial assets when (i) the assets have been repaid or the right to cash flows from those assets has expired or (ii) the Company has transferred the rights to cash flows from the financial asset to another person.

e) Transaction Costs

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in financial statements of the Company.

f) Property, Plant and Equipment

(i) Own Assets

Property, plant and equipment (hereinafter "non-current tangible assets") are stated at cost less any subsequent accumulated depreciation and provisions (accumulated impairment losses). The cost includes all directly-attributable costs of bringing the asset into working condition for its intended use. Internally

Significant components of property, plant and equipment with different useful lives are accounted for and depreciated on an individual basis taking into account its economic useful life.

(ii) Subsequent Expenditures

Subsequent expenditures incurred to replace a component of non-current tangible assets that is accounted for individually, including inspections and overhaul expenditure, are capitalised if it is probable that the future economic benefits embodied with the items will flow to the Company exceeding its original performance and the cost of the item can be measured reliably. Other subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the item of assets exceeding their original performance. All other expenditures made after the acquisition of non-current tangible assets to restore or maintain the extent of future economic benefits are recognised as expenses when incurred.

(iii) Depreciation

Buildings	25 - 40 years
Plant and equipment	4 - 20 years
Vehicles	4 - 12 years
Fixtures and fittings	4 - 12 years

Depreciation is charged evenly on a straight-line basis.

Gains or losses arising on the disposal or liquidation of an item of non-current tangible assets are fully reflected in the statement of profit or loss and other comprehensive income.

g) Intangible Assets

Non-current intangible assets acquired separately are stated at cost less accumulated amortisation and impairment provisions. Intangible assets are amortised over their expected useful lives on a straight-line basis, i.e. four years. The expected useful lives and method of amortisation are assessed at the end of each reporting period, with the impacts of changes in estimates reflected in the next reporting period.

Subsequent expenditures are capitalised only when it may be expected that this will increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures are expensed as incurred.

h) Investments in Subsidiaries

Investments in subsidiaries represent investments in companies over which the Company has obtained control. Control is established when the Company directly or indirectly governs the financial and operating policies of the entity so as to obtain benefits from its activities. Acquisition of subsidiaries is recognised using the acquisition method. The acquisition price is the price at which the asset was procured and the costs associated with its acquisition (fees and commissions to brokers, consultants, stock exchanges). As at the date of preparation of the financial statements, the shares in the registered capital of the subsidiaries are retained in the original valuation, less the impairment allowance. An investment in subsidiaries is a cash-generating unit, of which recoverable amount is its fair value less costs of disposal, or its value in use, depending on which one is higher. The recoverable amount of the financial investment from its use is determined using the discounted future cash flow method based on the approved plans of the subsidiaries. Impairment of the investment in subsidiaries is classified in the income statement within financing activities in the line impairment loss on financial investment.

i) Trade and Other Receivables

Trade receivables are initially measured at fair value and are subsequently carried at the carrying amount obtained using the effective interest rate method, less loss allowance.

The recoverable amount of Company's receivables is calculated as the present value of expected future cash flows discounted at their original effective interest rate inherent in the asset. Short-term receivables are not discounted.

Receivables measured at amortised cost are presented in the statement of financial position as part of trade receivables and other receivables less a provision. The Company applies a simplified approach under IFRS 9 to trade receivables from third parties, i.e. measures ECL using lifetime expected losses.

Estimated recoverable amounts are based on historical experience, taking into account current economic conditions and reasonable and demonstrable forecasts of future economic conditions.

j) Inventories

Inventories are stated at the lower of cost or net realisable value. Net realisable value represents the estimated selling price less the estimated costs of completion and costs of sale.

Raw material is measured at the weighted average cost, which includes the cost of acquisition of the materials and other costs related to the acquisition that arose on bringing the assets to their current condition and location.

Work in progress, semi-finished goods and finished goods are measured at own costs, which include the costs of material, wages and salaries, other direct expenses and production overheads depending on the stage of completion of the inventory.

A loss allowance is created for slow moving and obsolete inventory.

k) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, placements and other short-term highly liquid investments that are readily convertible to a known amount of cash and that are subject to an insignificant risk of changes in value. Overdraft facilities payable on demand, which form an integral part of the Company's cash management represent part of cash and cash equivalents for the purposes of the statement of cash flows.

l) Impairment of Non-financial Assets

At each reporting date, the Company assesses the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). If it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less the costs to sell and the value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income. If an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, except for the goodwill, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income.

m) Dividends

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

n) Interest-Bearing Loans and Borrowings

Interest-bearing loans and borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

o) Leases

In case there is a right to classify the use of an identified asset for more than one year, the asset with the right-of-use, that represents the Company's right to use the underlying leased asset, and a lease liability that represents the Company's liability to pay the lease payments is recognised in the Company's balance sheet at the beginning of lease.

A right-of-use asset is initially measured at cost and includes the amount of the initial measurement of the lease liability, all lease payments made prior to the commencement date and an estimate of the costs incurred by the lessee in dismantling and removing the asset and in restoring the place in which it is located or when restoring an asset to a condition required by the lease conditions. Subsequently, the right to use assets is measured at cost less accumulated depreciation and accumulated revaluation losses adjusted for revaluation of the lease obligation as a result of a reassessment of the lease, a change in the extent of the lease or a change in the lease payment.

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Depreciation/Amortisation of a right-of-use asset is presented in the statement of profit or loss and other comprehensive income from the beginning of the lease term to either the end of the asset's life or the end of the lease period, whichever comes first. The lease period is an irrevocable leasing period and includes an option to extend the lease where it is reasonably certain that the option will be exercised. Where a lease also includes a call option, the asset is depreciated/amortised over its useful life if it is reasonably certain that the call option will be exercised. Assets with a right of use are depreciated as follows:

Land	25-40 years
Machinery and equipment	4-20 years
Vehicles	4-12 years

The lease liability is measured at the present value of future lease payments net of rental discounts, including variable payments that depend on the index or rate and the call option price, if it is certain that the option will be exercised and the prices of the early termination of the lease if the lease term reflects the exercise of that option, discounted using the lease implicated interest rate that is easy to determine. If it is not easy to determine, the incremental interest rate is applied to the lessor.

Minimum lease payments are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to the whole lease period so as to produce a constant interest rate on the remaining balance of the liability. The interest expense component of finance lease payments is recognised through the statement of profit or loss and other comprehensive income using the effective interest rate method.

The carrying amount of the liability is revalued to reflect the reassessment of the lease, the change in the extent of the lease or the change in the lease payment.

Lease payments with a lease term of up to one year or small lease payments up to the value of total instalments in the present value of no more than EUR 10 thousand are charged on a straight-line basis over the lease term. Lease costs are presented as other services in the statement of profit or loss and other comprehensive income.

p) Employee Benefit Plans Obligation

(i) Retirement Payment

The Company operates a long-term employee benefit plan consisting of a lump-sum retirement payment for which no specified funds were allocated. Under IAS 19 "Employee Benefits", the expenses for employee benefits were determined using "Projected Unit Credit Method". The discounted present value of the defined benefit obligation is determined (a) by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds, which have terms to maturity approximating the terms of the related liability and (b) then attributing the calculated present value to the periods of service based on the plan's benefit formula.

Actuarial remeasurements on post-employment benefits arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise and are immediately reclassified to retained earnings in the statement of changes in equity.

(ii) Other long-term employee benefits

The Company has an obligation to pay work anniversary long service bonuses. These obligations are recognised as liabilities estimated annually by independent actuaries using the Projected Unit Credit Method. The discounted present value of the defined benefit obligation is determined (a) by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds, which have terms to maturity approximating the terms of the related liability and (b) then attributing the calculated present value to the periods of service based on the plan's benefit formula. Actuarial remeasurements of the obligation to pay work anniversary long service bonuses are recognised in profit or loss for the year as employee benefits expense when incurred. Past service costs, if any, are expensed when incurred.

As explained in IAS 19, Employee Benefits, paragraph 133, the Company does not distinguish current and non-current portions of defined benefit obligations and presents the estimate as a whole within non-current liabilities.

q) Mandatory Insurance and Social Security and Pension Schemes

The Company is required to make contributions to various mandatory insurance schemes, in addition to the contributions made by employees. The expenses for social security are recognised through the statement of profit or loss and other comprehensive income in the period when the related salary cost is incurred.

r) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle that obligation, and the amount of obligation can be estimated reliably. Provisions are measured on the basis of the Management's best estimate of the cost of the liability settlement as at the reporting date. Where the effect is material, provisions are determined by discounting the expected future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

s) Emission Rights

Green energy subsidies are received based on the quantity of generated green energy by eligible turbines for which a certification of the regulatory body is issued based on the requirements of the relevant legislation.

Emission rights granted are recorded at their nominal value, i.e. zero.

The Company had an obligation to deliver emissions rights for actually produced emissions. The Company has opted to record emission rights received using the net liability method. The Company does not record any liability for actual emissions rights on the basis that the Company has received adequate emission rights to cover its actual emissions.

t) Trade and Other Payables

Trade and other payables are initially measured at fair value and subsequently at amortised cost using the effective interest rate method.

u) Revenue Recognition

Revenue from Contracts with Customers

(i) Sale of Products and Goods

For sales of goods and merchandise, revenues are recognised when all significant risks and rewards of ownership have been transferred to the buyer, which is usually the moment when the goods are delivered to the customer to the contractually agreed location, and no significant uncertainties remain regarding the collection of consideration, associated costs and possible claims or returning of goods. Revenues are stated net of taxes and discounts. No revenue is recognised if there are significant uncertainties regarding the settlement of the consideration due, the associated costs or the possible return of goods, or the continuous involvement of the Company in managing the goods.

Other Revenue

(i) Sale of Green Energy and Greenhouse Gas Emission Rights

The revenues from the sale of green energy and greenhouse gas emission rights are recognised when all significant risks and rewards of ownership have been transferred to the buyer. The emission rights are quoted and sold on an active market.

(ii) Government Grants

Government grants are recognised in the statement of financial position where there is a reasonable assurance that the grants will be received and that the Company complies with the conditions attached thereto. Grants for the reimbursement of expenses are recognised as income over the period necessary to systematically offset the grant with the expenses for which the grant is intended. Grants provided for the acquisition of property, plant and equipment are systematically recognised as Other income in the statement of profit or loss and other comprehensive income over the useful life of the asset.

v) Income Tax

Income tax for the year represents current tax and deferred tax.

Current tax is based on the taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income and expense that are taxable or deductible in another years and it further excludes items that are not taxable or deductible. The Company's current tax liability is calculated using the tax rates that are valid or enacted until the preparation date of the statement of financial position.

Deferred tax assets and liabilities are provided, using a balance sheet method, on temporary differences between the tax bases of assets and liabilities and their values arising from the statement of financial position. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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Deferred tax is calculated at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised. In determining the deferred income tax, the expected tax rate applicable for the following years, i.e. 24%, was used. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity. In such case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally-enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The Company applies income tax relief on the basis of a decision by the competent authority to implement investment plans related to the procurement of a new regeneration boiler and a new paper machine, including the related infrastructure. This income tax allowance is considered an investments tax incentive and is recognised as a reduction in the income tax as the credit is realised and a reduction in the income tax liability in the statement of financial position of the Company. No deferred tax asset is recognised when a tax credit arises.

Fulfilment of the conditions for the application of the relief is shown by the Company annually by the end of April of the current year for the previous year to the competent authority in the form of a report on the assessment of the eligible costs related to the project for which relief has been granted.

Many areas of Slovak tax law have not been sufficiently tested in practice, so there is some uncertainty as to how the tax authorities would apply them. The extent of this uncertainty cannot be quantified. The uncertainty will be reduced only if legal precedents or official interpretations are available. In relation to this, the Company's management is not aware of any circumstances that may give rise to a future material expense.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY AND ERRORS

a) Critical Accounting Judgements

In the process of applying the Company's accounting policies, which are described in the Note 3, the Company has made the following judgements on aspects that have the most significant effect on the amounts recognised in the financial statements. There are risks that potential adjustments in future periods relating to such matters will be necessary, including the following:

(i) Useful lives

Non-current tangible and intangible assets are depreciated/amortised in accordance with their estimated actual useful life. The straight-line depreciation method is used (further details are described in the Note 3 f).

The economic useful life of tangible fixed assets stated in the Note 3 g) was based on the best estimate of the Company's management. Should the estimated full useful life of non-current tangible assets be shorter by 10%, the Company would record additional depreciation charge of non-current tangible assets of EUR 6,165 thousand (2023: EUR 5,750 thousand). Should the estimated full useful life of non-current tangible assets be longer by 10%, the Company would record depreciation charge lower by EUR 3,612 thousand (2023: EUR 4,705 thousand).

(ii) Impact of possible changes in key assumptions - impairment of non-financial assets

As further described in accounting policy (I), non-financial assets are tested for impairment at least annually. In assessing impairment testing, recoverable amount is the higher of fair value less costs of disposal or value in use.

Mondi SCP represents a cash-generating unit whose recoverable amount represents its value in use. During the annual review of the value of the cash-generating unit, the Company did not identify any indicators of impairment loss and, on this basis, did not perform a test to determine the recoverable amount of the cash-generating unit through the value in use model.

In the previous year, the Company identified indicators for the impairment of non-financial assets and, based on this, performed a test to determine the recoverable amount of the cash-generating unit using the value-in-use model. Based on the test results, the Company did not need to recognize an impairment of non-financial assets.

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5. REVENUES

Analysis of the Company's revenues for the year:

<i>(EUR'000)</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Revenues from contracts with customers		
Revenues from the sale of production from the Company's main activities	732,787	674,967
Revenues from the sale of production from the Company's secondary activities	11,295	12,200
Revenues from services	5,777	4,164
Total revenues from contracts with customers	749,859	691,331
Other revenues		
Revenues from green energy sales and CO2 emissions	9,279	21,451
Total other revenues	9,279	21,451
Total	759,138	712,782

Revenues from the sale of production from the Company's main activities include sales of office paper, packaging paper and pulp. Revenues from the sale of Company's secondary activities products include revenues from sales of energy, wood and material inventories.

Revenues from the sale of Company's secondary activities products mainly include revenues from the sales of energy, packaging material, and material inventories.

Revenues from contracts with customers from the sale of production of the Company's main activities by segment:

<i>(EUR'000)</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Office paper	478,553	460,832
Packaging paper – PS19	166,086	126,568
Packaging paper– PS1	62,833	58,880
Pulp	25,315	28,687
Total	732,787	674,967

The increase in revenues from the sale of production from the Company's main activities compared to the previous year was mainly due to a significant increase in the quantities sold, particularly of office paper and packaging paper from Paper Machine 19.

The total quantity of paper sold was approximately 9% higher compared to the previous year with the share of office paper in the total quantity sold was 60% in 2024 (63% in 2023), packaging paper from the new Paper Machine 19 contributed 32% of total sales in 2024 (29% in 2023). Packaging paper from the Paper Machine 1 contributed for 8% to total sales in 2024 (the same as 8% in 2023).

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Analysis of revenues from the contracts with customers from the sale of production from main and secondary activities of the Company:

The Company mainly generates revenues from the sale of its own products, which are office paper, packaging paper and pulp. Revenue is generally recognised at a point in time, typically when the goods are delivered to a contractually agreed location. Customer payment terms do not include any significant financial components.

Revenues from the contracts with customers of the Company (except revenues from provision of services) by country and region:

<i>(EUR'000)</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Western Europe	692,971	631,326
Slovakia	38,169	35,858
Eastern Europe	12,940	19,983
South Africa	2	-
Total	744,082	687,167

Revenues from contracts with customers of the Company (except revenues from provision of services) by products:

<i>(EUR'000)</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Paper	707,472	646,280
Pulp	25,315	28,687
Revenues from the sale of production from the Company's main activities	732,787	674,967
Energy	8,558	10,452
Other	2,737	1,748
Revenues from the sale of production from the Company's secondary activities	11,295	12,200
Total	744,082	687,167

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Revenues from contracts with customers of the Company (except the revenues from provision of services) outside Mondi Group by products:

<i>(EUR'000)</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Paper	24,809	22,632
Pulp	22,572	27,405
Revenues from the sale of production from the Company's main activities	47,381	50,037
Energy	8,554	10,448
Other	2,700	1,693
Revenues from the sale of production from the Company's secondary activities	11,254	12,141
Total	58,635	62,178

None of the external customers had revenues higher than 10% of the total external revenues for both years. The Company has no significant assets or liabilities arising from contracts with customers. No costs arising from customer contracts were capitalised. The Company does not disclose information in the notes about other liabilities from contracts with customers that have an original expected duration of 1 year or less, as permitted by IFRS 15.

Revenue from contracts with related parties of the Company within the Mondi Group (except the revenues from provision of services) by products:

<i>(EUR'000)</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Paper	682,663	623,648
Pulp	2,743	1,282
Revenues from the sale of production from the Company's main activities	685,406	624,930
Revenues from the sale of production from the Company's secondary activities	41	59
Total	685,447	624,989

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6. RAW MATERIALS AND CONSUMABLES

Analysis of raw materials and consumables of the Company:

<i>(EUR'000)</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Raw materials and auxiliary materials (wood, pulp, recycled paper, chemicals, other)	330,152	355,690
Maintenance, felts and screens	47,844	46,974
Energy	34,858	62,528
Packaging	13,221	12,829
Other (manufacturing services, water, operating overhead, other)	20,456	12,952
Total	446,531	490,973

The decrease in the energy was mainly influenced by a government grant received to compensate for energy prices related to CO2 for the year 2023 in the amount of EUR 20,730 thousand. Government grants are recognized in the period in which they are received.

7. OTHER SERVICES

Analysis of consumption of other services of the Company:

<i>(EUR'000)</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Management and marketing services	6,555	6,523
Hire of employees, contractor costs, outsourcing	5,901	5,418
Insurance	5,795	5,409
IT and telecommunication services	4,529	4,334
Legal, advisory and auditing services	4,279	3,985
Costs associated with sales	1,968	1,435
Safety and health at work	1,924	1,819
Services related to the disposal of non-current assets	926	769
Personnel services, travel expenses	854	824
Advertising costs	827	718
Taxes and fees	757	551
Cleaning of technological equipment	697	625
Maintenance of non-productive facilities, heating	629	2,237
Lease	464	361
Other	2,929	4,015
Total	39,034	39,023

Legal, advisory and auditing services contain fees paid to the auditor in the amount of EUR 118 thousand (2023: EUR 101 thousand).

8. PERSONNEL COSTS

Personnel costs of the Company incurred in the reporting period include the following categories:

<i>(EUR'000)</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Wages	41,459	35,457
Social costs	15,489	12,959
Other	2,102	2,101
Total	59,050	50,517

9. OTHER OPERATING INCOME AND EXPENSES

Other operating income and expenses of the Company for the period are as following:

<i>(EUR'000)</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Profit / (loss) from the sale of non-current assets	305	17
Miscellaneous non-recurring income, other	23	112
Total	328	129

10. FINANCE INCOME AND FINANCE COSTS

Analysis of finance income of the Company for the period:

<i>(EUR'000)</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Interest income	2,981	1,226
Dividends	57	-
Total finance income	3,038	1,226

Analysis of finance costs for the period:

<i>(EUR'000)</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Interest expense	1,828	2,060
Total finance costs	1,828	2,060

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11. INCOME TAX EXPENSE

Analysis of income tax for the period:

<i>(EUR'000)</i>	<i>Note</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Current tax		7,665	333
Deferred tax	22	16,287	948
Income tax for the year		23,952	1,281

Current income tax was calculated on the taxable profit at 21% rate for 2024 and 2023.

Deferred income tax was calculated on the taxable profit at 24% rate applied in the Slovak Republic since 1 January 2024, in 2023 at 21%.

The total tax for the year can be reconciled to the accounting profit as follows:

	<i>Year ended 31 December 2024</i>		<i>Year ended 31 December 2023</i>	
	<i>(EUR'000)</i>	<i>%</i>	<i>(EUR'000)</i>	<i>%</i>
Profit/(loss) before tax	103,202		(24,627)	
Tax calculated at the local income tax rate	21,672	21,0	(5,172)	21,0
Permanent differences	49		6,538	
Tax relief	(4,825)		-	
Impact of changes in income tax rates	7,025		-	
Withholding tax, timing and other differences	31		(85)	
Income tax and effective tax rate	23,952	23,2	1,281	(5,2)

In 2024, the Company applied an income tax relief of EUR 4,825 thousand received under the investment aid provided in the total amount of EUR 48,836 thousand for the realisation of an investment project related to the acquisition of a new paper machine and the related infrastructure. In 2023, the entitlement to apply for a tax relief did not arise, as the Company reported a tax loss.

The final decision on the application of the tax relief for 2024 will be taken during preparation of the tax return for 2024.

Permanent differences for 2024 include tax in the amount of EUR 6,426 thousand, which is due to the loss from sale of interests in subsidiaries Mondi Neusiedler, GmbH and Ybbstaler Zellstoff, GmbH (see Note 14).

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Analysis of current tax receivable/(liability):

<i>(EUR'000)</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
As at 1 January	820	(7,254)
Current year's expense	(12,490)	(88)
Last year's expense	-	(246)
Tax relief	4,825	-
Payment of commitment/ (Receipt of receivable) from previous year	(820)	7,500
Advances paid for the current year, withholding tax	1,441	908
As at 31 December	(6,224)	820

Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules

The Company falls within the scope of the OECD Pillar Two Model Rules. The Pillar Two legislation has been adopted in the Slovak jurisdiction in which the Mondi SCP Company is incorporated and will take effect from 1 January 2025. As the Pillar Two legislation was not effective at the reporting date, the Company has no related current tax exposure. The Company applies the exemption to recognise and disclose information on deferred tax assets and liabilities related to Pillar Two income taxes as set out in the amendments to IAS 12 issued in May 2023.

Under the legislation, the Company is required to pay additional tax for the difference between the effective tax rate per jurisdiction and the minimum rate of 15%. All companies within the Company have an effective tax rate exceeding 15%.

In addition, it is expected that the additional Pillar Two tax may be triggered in jurisdictions where the Company benefits from tax incentives for capital investments or tax holidays. However, initial assessments suggest that any potential additional tax liability under Pillar Two would not have a significant impact on the Company's overall effective tax rate, but ultimately this will depend on the amount of tax incentives available to the Company from year to year. Therefore, quantitative information that would indicate a potential liability to Pillar Two cannot be reasonably estimated at this time. The Company is continuing its assessment and expects to complete the assessment in 2025.

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12. INTANGIBLE ASSETS

Analysis of intangible assets of the Company for the year ended 31 December 2024 and 31 December 2023:

<i>(EUR'000)</i>	<i>Intangible assets</i>	
	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Cost		
As at 1 January	9,740	9,475
Additions	526	463
Transfers	(188)	(56)
Disposals	-	(142)
As at 31 December	10,078	9,740
Accumulated Amortisation		
As at 1 January	8,122	7,689
Charge for the year	624	575
Disposals	-	(142)
As at 31 December	8,746	8,122
Carrying amount		
As at 1 January	1,618	1,786
As at 31 December	1,332	1,618

Intangible assets comprise software and acquired intangible assets (software). Intangible assets have limited useful lives over which they are amortised. The amortisation period for software is four years.

Non-current intangible acquired assets as at 31 December 2024 amounted to EUR 14 thousand (as at 31 December 2023: EUR 188 thousand).

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13. PROPERTY, PLANT AND EQUIPMENT

Analysis of property, plant and equipment of the Company for the year ended 31 December 2024:

<i>(EUR'000)</i>	<i>Land and Buildings</i>	<i>Machines and Equipment</i>	<i>Assets acquired and Advance Payments</i>	<i>Other Non-Current Tangible Assets</i>	<i>Total</i>
Cost					
As at 1 January 2024	331,486	1,334,753	24,688	19,220	1,710,147
Additions	-	-	21,426	-	21,426
Disposals	(44)	(20,778)	-	(600)	(21,422)
Transfers	13,666	27,115	(40,669)	76	188
As at 31 December 2024	345,108	1,341,090	5,445	18,696	1,710,339
Accumulated depreciation and impairment					
As at 1 January 2024	146,989	911,685	-	12,468	1,071,142
Annual depreciation charge	8,650	41,339	-	856	50,845
Disposals	(44)	(20,773)	-	(600)	(21,417)
As at 31 December 2024	155,595	932,251	-	12,724	1,100,570
Carrying amount					
As at 1 January 2024	184,497	423,068	24,688	6,752	639,005
As at 31 December 2024	189,513	408,839	5,445	5,972	609,769

Analysis of property, plant and equipment of the Company for the year ended 31 December 2023:

<i>(EUR'000)</i>	<i>Land and Buildings</i>	<i>Machines and Equipment</i>	<i>Assets acquired and Advance Payments</i>	<i>Other Non-Current Tangible Assets</i>	<i>Total</i>
Cost					
As at 1 January 2023	329,261	1,345,969	19,369	19,138	1,713,737
Additions	-	-	31,764	-	31,764
Disposals	(382)	(34,944)	-	(85)	(35,411)
Transfers	3,690	22,645	(26,445)	167	57
Reclassification	(1,083)	1,083	-	-	-
As at 31 December 2023	331,486	1,334,753	24,688	19,220	1,710,147
Accumulated depreciation and impairment					
As at 1 January 2023	138,455	904,030	-	11,669	1,054,154
Annual depreciation charge	8,930	42,585	-	884	52,399
Disposals	(382)	(34,944)	-	(85)	(35,411)
Reclassification	(14)	14	-	-	-
As at 31 December 2023	146,989	911,685	-	12,468	1,071,142
Carrying amount					
As at 1 January 2023	190,806	441,939	19,369	7,469	659,583
As at 31 December 2023	184,497	423,068	24,688	6,752	639,005

Other non-current tangible assets comprise tools, furniture, vehicles, low value assets.

The accompanying notes from 1 to 31 are an integral part of these separate financial statements

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The useful lives of each type of asset are described in Note 3 f).

The Company did not recognise any pledged assets. The Company's assets are not subject to any liens that restrict the Company's handling of intangible and tangible assets.

The Company does not have any tangible and intangible fixed assets owned by other entities.

14. INVESTMENTS IN SUBSIDIARIES

Overview of the Company's subsidiaries at 31 December 2024:

<i>Name and registered office of the Company</i>	<i>Cost</i> <i>(EUR'000)</i>	<i>Valuation Allowance</i> <i>(EUR'000)</i>	<i>Nominal Value per Share</i> <i>(EUR)</i>	<i>Share in Share Capital</i> <i>(%)</i>	<i>Equity*</i> <i>(EUR'000)</i>	<i>Profit/(Loss) for the Current Year*</i> <i>(EUR'000)</i>
Obaly S O L O, s. r. o., Ružomberok, SK	3,935	-	-	100	2,707	77
SLOWWOOD Ružomberok, a. s., Ružomberok, SK	393	-	3,319.39	66	1,729	395
Strážna služba VLA-STA, s. r. o., Ružomberok, SK	6	-	-	100	361	62
Sloppaper Recycling, s. r. o., Ružomberok, SK	495	-	-	85	-	86
Total	4,829	-	x	x	x	x

Overview of the Company's subsidiaries at 31 December 2023:

<i>Name and registered office of the Company</i>	<i>Cost</i> <i>(EUR'000)</i>	<i>Valuation Allowance</i> <i>(EUR'000)</i>	<i>Nominal Value per Share</i> <i>(EUR)</i>	<i>Share in Share Capital</i> <i>(%)</i>	<i>Equity*</i> <i>(EUR'000)</i>	<i>Profit/(Loss) for the Current Year*</i> <i>(EUR'000)</i>
Obaly S O L O, s. r. o., Ružomberok, SK	3,935	-	-	100	2,630	(2,229)
SLOWWOOD Ružomberok, a. s., Ružomberok, SK	393	-	3,319.39	66	1,330	260
Strážna služba VLA-STA, s. r. o., Ružomberok, SK	6	-	-	100	357	57
Sloppaper Recycling, s. r. o., Ružomberok, SK	495	-	-	85	(86)	29
Total	4,829	-	x	x	x	x

The Companies' voting rights are equal to the shares in the share capital.

*) *Equity and profit/(loss) for the current period are presented according to the Slovak accounting standards. The data is not verified by the auditor.*

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As at 31 December 2024 and 31 December 2023, the Company has no associates or joint ventures.

Analysis of movements in investments in subsidiaries for the year ended 31 December 2024 and 31 December 2023:

(EUR'000)	Year ended 31 December 2024	Year ended 31 December 2023
Cost		
As at 1 January	4,829	75,775
Additions	-	-
Disposals	-	(70,946)
As at 31 December	4,829	4,829
Valuation allowance		
As at 1 January	-	70,946
Additions	-	-
Disposals	-	(70,946)
As at 31 December	-	-
Carrying amount		
As at 1 January	4,829	4,829
As at 31 December	4,829	4,829

As at 27 February 2023, the Company has sold its interests in two Austrian companies, Mondi Neusiedler GmbH and Ybbstaler Zellstoff GmbH. The sale was carried out within the Mondi Group.

The loss on the sale of interests in the two Austrian subsidiaries amounts to EUR 30,600 thousand.

Analysis of the result on the sale of financial investments for the period:

(EUR'000)	Year ended 31 December 2024	Year ended 31 December 2023
Reimbursement received	-	-
Carrying amount of financial investments	-	30,600
Profit/(loss) from the sale	-	(30,600)
Income tax expense	-	-
Profit/(loss) for the sale after tax	-	(30,600)

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15. INVENTORIES

Overview of inventories of the Company:

<i>(EUR'000)</i>	31 December 2024	31 December 2023
Raw materials, consumables and spare parts	51,139	45,563
Work in progress and semi-finished goods	7,575	7,436
Finished goods	20,757	14,261
Total	79,471	67,260

Cost of inventories charged as an expense is disclosed in Note 6.

The inventory listed in the table above is recognised net of loss allowance.

As at 31 December 2024, the Company recorded loss allowance in the amount of EUR 23,146 thousand (2023: EUR 20,553 thousand) for obsolete and slow-moving inventories based on a detailed analysis of individual items of inventories. The analysis was prepared by the Company as at the year-end which was based on an assessment of the net realisable value of inventories.

The Company reassessed the recorded provisions for inventories and came to the conclusion that the amount of the provisions is sufficient.

Movements in the loss allowance for inventories:

<i>(EUR'000)</i>	Year ended 31 December 2024	Year ended 31 December 2023
As at 1 January	20,553	19,263
Charge	4,720	1,830
Use and release	(2,127)	(540)
As at 31 December	23,146	20,553

16. TRADE AND OTHER RECEIVABLES

Overview of current trade receivables and other receivables:

<i>(EUR'000)</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Receivables from the sale of goods and services	95,877	82,439
Non-income taxes receivables	7,410	7,707
Advances provided	1,073	2,735
Other receivables	25	313
Total	104,385	93,194

As at 31 December 2024, the Company has a loss allowance for estimated irrecoverable receivables from the sale of goods and other receivables in the amount of EUR 146 thousand (2023: EUR 144 thousand).

The management believes that the carrying amount of trade and other receivables approximates their fair value.

The table below presents a breakdown of receivables from the sale of goods and services and other receivables by maturity (gross):

<i>(EUR'000)</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Within maturity	104,256	93,144
Overdue	276	194
Total	104,532	93,338

No collateral or other forms of security were received by the Company in respect of its receivables. Risk of no collection is covered by the insurance program of the Mondi Group and EXIM Bank.

The Company recorded no receivables under lien.

17. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise bank accounts and cash on hand, including the Company's cash and current bank deposits with original maturity not exceeding three months. The carrying amount of the assets approximates their fair value.

No encumbrance is attached to cash and cash equivalents that would result in any restrictions of the Company's asset handling.

For the purpose of the statement of cash flows, cash and cash equivalents also include overdraft facilities.

<i>(EUR'000)</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Cash and cash equivalents	34,117	25,975
Total	34,117	25,975

The accompanying notes from 1 to 31 are an integral part of these separate financial statements

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18. SHARE CAPITAL

Share capital was issued in the form of bearer shares. As at 31 December 2024 and 2023, the total number of issued shares was 4,635,034 and the nominal value per share was EUR 33.193919. All of the Company's shares were paid. None of the Company's shares are quoted on the stock exchange.

19. OTHER COMPONENTS OF EQUITY

As at 31 December 2024, other components of equity consisted of capital reserves funds and other capital reserves.

The total amount of capital reserves funds was EUR 87,550 thousand. Capital reserves funds consisted in particular of the legal reserve fund in the amount of EUR 48,330 thousand, statutory reserves in the amount of EUR 36,152 thousand and additionally paid-up capital in the amount of EUR 3,068 thousand.

Analysis of capital reserves funds (non-distributable):

<i>(EUR'000)</i>	31 December 2024	31 December 2023
Legal reserve fund	48,330	48,330
Statutory funds	36,152	36,152
Other contributions not increasing the share capital	3,068	3,068
Total	87,550	87,550

Statutory funds represent specific development fund established following the law valid before the privatisation of the parent company. Management will decide on its usage in the future.

Analysis of other reserves (distributable):

<i>(EUR'000)</i>	31 December 2024	31 December 2023
Post-employment benefits fund	212	96
Revaluation reserve on incorporation of Obaly S O L O, s. r. o.	(238)	(238)
Merger reserve Obaly S O L O, s. r. o.	(362)	(362)
Total	(388)	(504)

Other reserves consist of fund created from actuarial loss on post-employment benefits, a revaluation reserve on incorporation of Obaly S O L O, s. r. o., and a reserve from the difference arising from the acquisition of part of the business of Obaly S O L O, s. r. o., in the total amount EUR (388) thousand.

20. EMPLOYEE BENEFIT PLAN OBLIGATIONS

The Company estimated a provision for retirement payments and other long-term employee benefits based on an actuarial valuation.

The long-term employee benefit plan is a defined benefit scheme of the Company under which employees are entitled to a lump-sum benefit upon old age or disability retirement in an amount equalling a certain percentage of the annual Company average wage subject to defined requirements, and to regular loyalty benefits and jubilee bonuses. As at 31 December 2024, the scheme applied to all Company's employees. As at the above date, the scheme was not funded, i.e. there were no assets specifically allocated to cover liabilities resulting from the scheme.

Employee benefit plans are subject to the following risks:

Investment risk (asset volatility)

The present value of the net retirement benefit liability/asset is calculated using a discount rate determined by reference to high-quality corporate bond yields. Currently, the plan assets have a relatively balanced investment in equity and bonds. Due to the non-current nature of the plan liabilities, the boards of trustees consider it appropriate that a reasonable portion of the plan assets should be invested in equities.

Interest risk

A decrease in the corporate bond interest rate will increase plan liabilities, however, this will be partially offset by an increase in the value of the plan's fixed rate debt instruments.

Longevity risk

The present value of the net retirement benefit liability/asset is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liabilities.

Salary risk

The present value of the net retirement benefit liability/asset is calculated by reference to the expected future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liabilities.

Analysis of the expected maturity of undiscounted benefits after the termination of employment is shown in the following table:

(EUR'000)	As at 31 December 2024	As at 31 December 2023
Within one year	185	86
1 – 2 years	52	91
2 – 5 years	211	305
Over 5 years	4,621	3,685
Total	5,069	4,167

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Key actuarial assumptions:

	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Real discount rate p.a.	3,4%	3,7%
Inflation	2,6%	2,8%
Labour turnover p.a.	1,0%	1,0%
Retirement age, men/women	64/64	64/64
Mortality and disability table	For Slovak Republic for the year 2012	For Slovak Republic for the year 2012
Expected increase in wages	3,0%	2,3%
Future growth of pensions	n/a	n/a

Movements in the employee benefit plan obligations for the year ended 31 December 2024:

<i>(EUR'000)</i>	<i>Payable from Entitlement to Retirement Payment</i>	<i>Payable from Jubilee Benefits</i>	<i>Total</i>
As at 1 January 2024	1,786	1,763	3,549
Additions	170	199	369
Use and release	(183)	(200)	(383)
As at 31 December 2024	1,773	1,762	3,535

Movements in employee benefit plan obligation for the year ended 31 December 2023:

<i>(EUR'000)</i>	<i>Payable from Entitlement to Retirement Payment</i>	<i>Payable from Jubilee Benefits</i>	<i>Total</i>
As at 1 January 2023	1,667	1,940	3,607
Additions	147	213	360
Use	(28)	(390)	(418)
As at 31 December 2023	1,786	1,763	3,549

Amounts recognised in the statement of profit or loss and other comprehensive income:

<i>(EUR'000)</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
<i>Profit/(loss) for the year</i>		
Defined benefit pension obligation	143	(44)
<i>Other comprehensive (expense)/income</i>		
Actuarial profit/(loss) on provisions from employee benefits program	(157)	(14)
Total	(14)	(58)

The accompanying notes from 1 to 31 are an integral part of these separate financial statements

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Sensitivity analysis of the severance benefit obligation for the year ended 31 December 2024:

	Sensitivity 1	The main assumption	Sensitivity 2
Discount rate	2,4%	3,4%	4,4%
Net liability of defined employee benefits (from severance benefits) (EUR'000)	3,735	3,534	3,393
Inflation	1,6%	2,6%	3,6%
Net liability of defined employee benefits (from severance benefits) (EUR'000)	3,341	3,534	3,757

Sensitivity analysis of the severance benefit obligation for the year ended 31 December 2023:

	Sensitivity 1	The main assumption	Sensitivity 2
Discount rate	2.7%	3.7%	4.7%
Net liability of defined employee benefits (from severance benefits) (EUR'000)	3,739	3,549	3,386
Inflation	1.8%	2.8%	3.8%
Net liability of defined employee benefits (from severance benefits) (EUR'000)	3,365	3,549	3,761

The sensitivity analysis of payable from severance benefit for the years ended 31 December 2024 and 31 December 2023 showed that the change of +/- 1% of the discount rate and the inflation did not have a significant impact on the value of the net liability from the defined employee benefits.

21. LOANS AND BORROWINGS

The Company's current loans analysis:

(EUR'000)	31 December 2024	31 December 2023
Short-term bank loans	6,666	6,667
Total	6,666	6,667

Movement of current loans from third parties:

(EUR'000)	Year ended 31 December 2024	Year ended 31 December 2023
As at 1 January	6,667	10,076
Loan payments	(6,667)	(10,076)
Drawdown of loans	-	-
Reclassification from non-current loans	6,666	6,667
As at 31 December	6,666	6,667

The accompanying notes from 1 to 31 are an integral part of these separate financial statements

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The Company's non-current loans analysis:

<i>(EUR'000)</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Long-term bank loans	6,667	13,333
Total	6,667	13,333

Movement of non-current loans from third parties:

<i>(EUR'000)</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
As at 1 January	13,333	20,000
Interest accrued	764	895
Interest paid	(764)	(895)
Loan payments	-	-
Reclassification to current loans	(6,666)	(6,667)
As at 31 December	6,667	13,333

In 2021, the Company draw a long-term loan in UniCredit Bank Czech Republic and Slovakia, a.s. in the amount of EUR 70,000 thousand to finance the general needs of the Company. The interest rate is 6M EURIBOR + 0.29% p.a.

The balance of the loan as at 31 December 2024 amounts to EUR 13,333 thousand.

The loan agreement contains no covenants.

22. DEFERRED TAX LIABILITIES

The following overview shows the major deferred tax liabilities and assets recognised by the Company, and the movements thereiri, during the current reporting period:

<i>(EUR'000)</i>	<i>Difference in NBV of Non- current Assets</i>	<i>Difference in provisions, valuation allowances and other temporary differences</i>	<i>Tax Loss</i>	<i>Total</i>
As at 1 January 2024	52,137	(8,057)	(4,144)	39,936
Recognised in the profit or loss	13,623	(1,480)	4,144	16,287
Recognised in equity	-	41	-	41
As at 31 December 2024	65,760	(9,496)	-	56,264

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The following overview shows the major deferred tax liabilities and assets recognised by the Company, and the movements therein, during the prior reporting period:

<i>(EUR'000)</i>	<i>Difference in NBV of Non-current Assets</i>	<i>Difference in provisions, valuation allowances and other temporary differences</i>	<i>Tax Loss</i>	<i>Total</i>
As at 1 January 2023	46,595	(7,610)	-	38,985
Recognised in the profit or loss	5,542	(450)	(4,144)	948
Recognised in equity	-	3	-	3
As at 31 December 2023	52,137	(8,057)	(4,144)	39,936

Deferred income tax on items that are not recognised as an expense or income but as a part of equity was recognised against these equity items.

All deferred tax assets and liabilities have been offset in accordance with the Company's accounting policy.

<i>(EUR'000)</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Deferred tax liabilities	65,760	52,137
Deferred tax assets	(9,496)	(12,201)
Total	56,264	39,936

Deferred tax liabilities and assets ageing structure:

<i>(EUR'000)</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Deferred tax liabilities		
- due over 12 months	71,392	52,137
- due within 12 months	(5,632)	-
Subtotal	65,760	52,137
Deferred tax assets		
- due over 12 months	(6,821)	-
- due within 12 months	(2,675)	(12,201)
Subtotal	(9,496)	(12,201)
Total	56,264	39,936

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23. PROVISIONS

Overview of provisions for the current reporting period:

<i>(EUR'000)</i>	<i>Provisions for the restoration of a landfill</i>	<i>Other non- current provisions</i>	<i>Total</i>
As at 1 January 2024	2,534	9	2,543
Additions	1,790	-	1,790
Use	(77)	-	(77)
Reclassification		(9)	(9)
As at 31 December 2024	4,247	-	4,247

Overview of provisions for the previous reporting period:

<i>(EUR'000)</i>	<i>Provisions for the restoration of a landfill</i>	<i>Other non- current provisions</i>	<i>Total</i>
As at 1 January 2023	2,534	-	2,534
Additions	-	9	9
Use	-	-	-
As at 31 December 2023	2,534	9	2,543

The creation of a non-current provision for the restoration of a landfill in 2024 amounting to EUR 1,790 thousand represented the adjustment of the provision for the third stage of the second part of the landfill.

In 2024, the utilisation of a non-current provision for the restoration of the landfill represented the restoration costs for monitoring the first, second, and third stages of the first part of the landfill in the amount of EUR 77 thousand.

Environmental provision is made for the restoration of landfills pursuant to the applicable environmental legislation in the Slovak Republic.

The Company owns and operates the three stages of landfill where it is legally obliged to restore them after their capacity has been reached. The Company creates the provision for the estimated future payments based on the expected date of closure of these landfills.

The provision balance for the first stage of the landfill is EUR 12 thousand, this has been closed and is being used to reimburse the costs associated with its monitoring.

The second stage of the landfill, that has a balance of EUR 971 thousand, was scheduled to close by the end of 2017 and its restoration started in 2018 and still remains. The provision was calculated using a discount rate of 8% and an average annual inflation of 4.4%.

The third stage of the landfill, its first part, for which the provision of EUR 1,498 thousand is created, was initially planned to close by the end of 2023, a new assumption for its closure is the end of 2025. The provision was calculated using a discount rate of 6.97% and an average annual inflation of 1.4%.

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The third stage of the landfill, specifically its second part, for which the provision of EUR 1,790 thousand is created, is planned to be closed by the end of 2031. The provision was calculated using a discount rate of 3.3% and an annual inflation rate of 3.9%.

Movements of current provisions:

<i>(EUR'000)</i>	<i>Other current provisions</i>	<i>Current provisions</i>
As at 1 January 2024	-	-
Reclassification	9	9
As at 31 December 2024	9	9

<i>(EUR'000)</i>	<i>Other current provisions</i>	<i>Current provisions</i>
As at 1 January 2023	-	-
As at 31 December 2023	-	-

24. TRADE AND OTHER PAYABLES

Overview of trade and other payables:

<i>(EUR'000)</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Trade payables	106,768	106,581
Trade payables of an investment nature	3,876	8,045
Other payables	15,318	9,922
Total	125,962	124,548

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Breakdown of trade payables by maturity:

<i>(EUR'000)</i>	<i>Maturity</i>				<i>Total</i>
	<i>Due within Maturity Period</i>	<i>Retentive</i>	<i>Up to 365 Days Overdue</i>	<i>Over 365 Days Overdue</i>	
As at 31 December 2024					
Trade payables (including of an investment nature)	101,259	1,831	7,554	-	110,644
As at 31 December 2023					
Trade payables (including of an investment nature)	104,904	4,479	5,243	-	114,626

In 2024, retentive trade payables in amount of EUR 1,020 thousand were overdue up to one year after the maturity, and in amount of EUR 811 thousand – overdue over one year after the maturity (in 2023: overdue up to one year in amount of EUR 3,349 thousand, overdue over one year in amount of EUR 1,130 thousand).

Other current payables comprise the following:

<i>(EUR'000)</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Payables to employees, from social security insurance and other taxes	11,995	6,808
Accrued liabilities	3,035	2,892
Social fund	157	160
Other	131	62
Total	15,318	9,922

The social fund was created during the year in the amount of EUR 518 thousand according to applicable regulations and drawn primarily for the meals for the employees and regeneration of the workforce in amount of EUR 521 thousand.

The Company's recorded payables to creditors were not secured by a lien.

25. LEASES

The Company has entered into various leasing contracts. Leases of buildings and land have an average lease term of 40 years, machines and equipment 15 years and other leased assets 4 years.

The main rental conditions are listed below:

Lease contracts are generally concluded for fixed period; machinery and equipment for 4 to 15 years; land for a longer period of 30 years or more. The rental terms are agreed on an individual basis and include fixed payment terms; when the lease payment is usually agreed for a current period for machinery and equipment on monthly basis, for land it is a longer period. Leases do not contain components that are not related to the lease of an asset with a right to use (maintenance, insurance), and therefore do not include variable payments related to these components. Machinery and equipment, vehicles and land are classified as separate asset classes with rights to use in accordance with IFRS 16.

Lease contracts can be terminated in general only by mutual agreement or by notice from the Company. The Company may terminate these contracts without giving any reason, the notice period being 3 months. Lease contracts do not contain any liabilities, and leased assets cannot be used as collateral for loans or credits.

The right to extend and terminate the contract is described above, the termination of the contract does not involve any further expenses of the Company, on the contrary, in the event of cancellation of the contract before the expiration of the lease period, the Company is entitled to repay proportional part of the rent already paid.

The most significant lease agreement is the agreement concluded between the parent company Mondi SCP, a. s., and Linde GAS, k. s., for the supply of oxygen and ozone, which also includes the lease of equipment for the production of compressed oxygen and ozone. The rental period is agreed for 15 years, after the end of the rental period the equipment remains the property of the lessor, the contract does not include an option to purchase the leased object after the end of the rental period. Fixed monthly payments for the media are agreed, which also include rental payments and also fixed monthly payments for maintenance, which are not part of the lease obligations.

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Right-of-use assets

The analysis of movements of the Company's leased right-of-use assets for the year ended 31 December 2024:

<i>(EUR'000)</i>	<i>Land and Buildings</i>	<i>Machinery and Equipment</i>	<i>Other Non-current Tangible Assets</i>	<i>Total</i>
Cost				
As at 1 January 2024	157	32,137	3,946	36,240
Additions	71	-	768	839
Modification and cancellation of lease agreements	(66)	(1,364)	(415)	(1,845)
As at 31 December 2024	162	30,773	4,299	35,234
Accumulated depreciation and impairment				
As at 1 January 2024	89	9,108	1,248	10,445
Annual depreciation and impairment	27	2,068	925	3,020
Modification and cancellation of lease agreements	(66)	(387)	(338)	(791)
As at 31 December 2024	50	10,789	1,835	12,674
Carrying amount				
As at 1 January 2024	68	23,029	2,698	25,795
As at 31 December 2024	112	19,984	2,464	22,560

The analysis of movements of the Company's leased right-of-use assets for the year ended 31 December 2023:

<i>(EUR'000)</i>	<i>Land and Buildings</i>	<i>Machinery and Equipment</i>	<i>Other Non-current Tangible Assets</i>	<i>Total</i>
Cost				
As at 1 January 2023	135	31,861	4,322	36,318
Additions	22	497	2,527	3,046
Modification and cancellation of lease agreements	-	(221)	(2,903)	(3,124)
As at 31 December 2023	157	32,137	3,946	36,240
Accumulated depreciation and impairment				
As at 1 January 2023	55	7,096	1,110	8,261
Annual depreciation and impairment	34	2,233	914	3,181
Modification and cancellation of lease agreements	-	(221)	(776)	(997)
As at 31 December 2023	89	9,108	1,248	10,445
Carrying amount				
As at 1 January 2023	80	24,765	3,212	28,057
As at 31 December 2023	68	23,029	2,698	25,795

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In 2024, additions to a right-of-use assets amounted to EUR 839 thousand (in 2023: EUR 3,046 thousand). The most significant additions to right-of-use assets were the lease of forklifts and passenger cars.

Lease liabilities

Maturity analysis of undiscounted liabilities:

<i>(EUR'000)</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Due within 1 year	3,067	3,067
From 1 to 5 years	9,655	10,424
Due over 5 years	9,251	11,825
Total	21,973	25,316

Lease liabilities by residual maturity:

<i>(EUR'000)</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Current	2,469	2,397
Non-current	16,762	19,448
Total	19,231	21,845

The total lease payments for 2024 were EUR 2,399 thousand (for 2023: EUR 2,582 thousand).

Amounts recognised in the consolidated statement of profit or loss and other comprehensive income:

<i>(EUR'000)</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Annual depreciation and impairment	(3,020)	(3,181)
Interest on lease liabilities	(583)	(676)
Low value and short-term leases	(464)	(361)
Proceeds from disposal of right-of-use assets	1,054	2,144
Modification and cancellation of lease agreements	(1,054)	(2,127)
Total	(4,067)	(4,201)

The Company leases machinery and equipment, vehicles and land under the ECO+ project for the PM19 paper machine and related infrastructure.

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26. CAPITAL RISK MANAGEMENT

The Company manages its capital with the aim to ensure that it can continue on a going concern basis as a healthy business to achieve the maximum return for the shareholders by optimising the ratio between external and own funds.

The gearing ratio at the year-end was as follows:

(EUR'000)	31 December 2024	31 December 2023
Debt (i)	47,010	60,551
Cash and cash equivalent and Assets from cash pooling	169,535	67,871
Net debt	(122,525)	(7,320)
Equity	748,631	669,265
Net debt to equity ratio	(16%)	(1%)

(i) Debt is defined as non-current and current loans and borrowings including leasing commitments and payables from cash pooling.

The Payment department monitors the structure of the Company's capital on a regular basis. Based on these reviews and the approval by the General Meeting, the Company revises its overall capital structure by means of dividend pay-outs and the drawing of loans, and/or repayment of existing debts.

27. FINANCIAL RISK MANAGEMENT

Categories of Financial Instruments

Financial assets:

Overview of the Company's financial assets for the year ended 31 December 2024:

(EUR'000)	Financial assets at Amortised Cost
As at 31 December 2024	
Receivables including assets from cash pooling	231,440
Cash and cash equivalents	34,117
Financial assets	265,557

Overview of the Company's financial assets for the year ended 31 December 2023:

(EUR'000)	Financial assets at Amortised Cost
As at 31 December 2023	
Receivables including assets from cash pooling	124,479
Cash and cash equivalents	25,975
Financial assets	150,454

The accompanying notes from 1 to 31 are an integral part of these separate financial statements

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Financial liabilities:

Overview of the Company's financial liabilities for the year ended 31 December 2024:

<i>(EUR'000)</i>	<i>Financial liabilities at Amortised Cost</i>
As at 31 December 2024	
Trade payables (including CAPEX payables)	110,644
Loans and borrowings, including liabilities from cash pooling	27,779
Lease liabilities	19,230
Financial liabilities	157,653

Overview of the Company's financial liabilities for the year ended 31 December 2023:

<i>(EUR'000)</i>	<i>Financial liabilities at Amortised Cost</i>
As at 31 December 2023	
Trade payables (including CAPEX payables)	106,580
Loans and borrowings, including liabilities from cash pooling	38,706
Lease liabilities	21,845
Financial liabilities	167,131

a) Financial Risk Factors

The Company is exposed to a variety of financial risks, which include the effects of changes in foreign currency exchange rates and loan interest rates. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. Following the adoption of the euro in Slovakia, the exchange rate risk was eliminated to a large extent.

The use of financial derivatives is governed by the Company's policies and approved by the Company's Board of Directors that provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of derivative financial and non-financial instruments, and the investment of excess liquidity. The Company is not involved in trading with financial instruments and it does not use derivative financial instruments for speculative purposes.

Market Risk

Market risk includes: interest rate risk and exchange rate risk.

• **Interest Rate Risk**

The Company's operating income and operating cash flows are relatively independent of changes in market interest rates.

Interest Rate Sensitivity

The Company did not draw a long-term bank loan in 2024, and the Company's management assessed the interest rate risk as insignificant. Therefore, no sensitivity analysis was performed.

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As at 31 December 2024, the Company has no open interest rate derivatives.

• **Foreign Currency Risk**

The share of monetary assets and liabilities denominated in a foreign currency to the total liabilities/assets has not been significant and represents a minor currency risk for the Company. Therefore, no sensitivity analysis was performed. The Company ensures that its net exposure is maintained at an acceptable level by buying or selling foreign currencies at spot rates when it is necessary to address short-term fluctuations.

As at 31 December 2024, the Company had no open derivative transactions.

Credit risk

The management of the Company has adopted a credit policy under which credit risk exposures are monitored on an on-going basis. Credit evaluations are performed on all customers requiring credit over a certain limit. The risk of non-collection of the receivables is covered by the insurance program of the Mondi Group and EXIM Bank. At the reporting date, there were no significant risk concentrations in the financial assets. Derivative and cash transactions are carried out only through high-credit quality financial institutions. The Company did not limit the amount of credit exposure to any financial institution.

Company's customer structure requires individual approach to credit risk assessment. Before the conclusion of the contractual relationship, the credit risk analysis is performed. Taking into account the results of the analysis and other risk-sensitive aspects, the customer is assigned a credit limit for trading, which may be external, provided by the insurance company or internal, provided by the Company. For smaller customers, prepayments are used. The methods used to analyse, evaluate and manage credit risk are effective and adequately eliminate credit risk.

The Company creates a write-off for impairment, which represents an estimate of Company losses resulting from trade and other receivables and investments.

The Company creates a specific provision for receivables that assess individually and at the same time a general allowance for other receivables by applying the appropriate percentage rate based on historical data and payment statistics.

Analysis of receivables from the sale of goods and services:

(EUR'000)	31 December 2024	31 December 2023
Receivables due – gross carrying amount	95,747	82,388
Receivables overdue – gross carrying amount	276	195
<i>of which less 30 days overdue</i>	140	3
<i>of which over 30 days overdue</i>	136	192
Loss allowance	(146)	(144)
Total trade receivables (Note 16)	95,877	82,439

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The Company secures receivables from the sale of goods and services from external customers. The security table is illustrated by the following table:

<i>(EUR'000)</i>	31 December 2024	31 December 2023
Total external receivables from the sale of goods and services	6,239	3,704
Insured receivables	(5,595)	(3,068)
Total unsecured external trade receivables	644	636

Analysis of bank accounts by rating:

<i>(EUR'000)</i>	31 December 2024	31 December 2023
Baa3 (Moody's)	34,117	25,975
Total	34,117	25,975

Liquidity risk

Prudent liquidity risk management assumes the maintenance of a sufficient amount of cash with adequate maturity, availability of financing through an appropriate amount of credit lines, and an ability to close open market positions. The Company maintains a sufficient amount of funds and marketable securities and has no open market positions.

The following tables summarise the residual maturity of the Company's non-derivative financial liabilities. The tables were prepared based on undiscounted cash flows from financial liabilities assuming the earliest possible dates on which the Company can be required to settle the liabilities.

<i>(EUR'000)</i>	Weighted Average Effective Interest Rate	Up to 1 Month	1 – 3 Months	3 Months – 1 year	1 – 5 Years	More than 5 years	Total
31 December 2024							
Interest-free trade payables		77,431	147	32,246	820	-	110,644
Floating interest rate instruments and leasing payables		-	-	3,067	9,655	9,251	21,973
Floating interest rate instruments and payables from cash pooling	€ STR + 0.65%	-	-	14,446	-	-	14,446
Floating interest rate instruments and bank loan	6M EURIBOR +0.29%	-	-	6,667	6,666	-	13,333
Total		77,431	147	56,426	17,141	9,251	160,396

<i>(EUR'000)</i>	Weighted Average	Up to 1 Month	1 – 3 Months	3 Months – 1 year	1 – 5 Years	More than 5 years	Total
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	<i>Effective Interest Rate</i>					
31 December 2023						
Interest-free trade payables	94,040	-	19,645	941	-	114,626
Floating interest rate instruments leasing payables	-	-	3,067	10,424	11,825	25,316
Floating interest rate instruments and payables from cash pooling	6M EURIBOR + 0.29%	-	6,667	13,333	-	20,000
Floating interest rate instruments and bank loan	€ STR + 0.65%	-	18,706	-	-	18,706
Total	94,040	-	48,085	24,698	11,825	178,648

Starting on 3 January 2022, the Company's bank applies a new €STR (Euro Short Term Rate) instead of the interest rate (EONIA) in accordance with the contractual documentation. The change has no significant effect on the financial instrument.

The Company assumes that the operating cash flows and proceeds from financial assets due will be used to settle other liabilities.

As at 31 December 2024, the Company reported higher current assets than current liabilities. Management does not see the risk regarding the financial position of the Company, liquidity for the repayment of liabilities based on the positive future development of the Company.

28. RELATED PARTY TRANSACTIONS

a) Shareholders Structure

Direct shareholders of the Company include: Mondi SCP Holdings B. V., with its registered office at Maastricht, the Netherlands, which owns a 51% share in the Company's share capital, and ECO-INVESTMENT, a.s., with its registered office at Náměstí Republiky 1037/3, Nové Město, 110 00 Prague 1, Czech Republic, which owns a 49% share in the Company's share capital.

The details of the transactions between the Company and other related parties are disclosed below.

b) Business Transactions

During the reporting period, the Company entered following business transactions with related parties:

<i>(EUR'000)</i>	<i>Year ended 31 December 2024 / as at 31 December 2024</i>			
	<i>Sales of Goods and Services</i>	<i>Purchase of Goods and Services</i>	<i>Receivables</i>	<i>Payables</i>
Company				
Subsidiaries	763	210,713	95	25,979
Other related parties	709,036	100,981	91,164	10,956
Total	709,799	311,694	91,259	36,935

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During the previous reporting period, the Company entered into the following business transactions with related parties:

<i>(EUR'000)</i>	<i>Year ended 31 December 2023 / as at 31 December 2023</i>			
	<i>Sales of Goods and Services</i>	<i>Purchase of Goods and Services</i>	<i>Receivables</i>	<i>Payables</i>
Company				
Subsidiaries	2,036	208,614	82	14,349
Other related parties	662,499	93,669	79,097	10,272
Total	664,535	302,283	79,179	24,621

Business transactions represent sale of paper, pulp, sale of material, energy and provision of services.

The Board of Directors makes decisions on related party transactions. The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expenses have been recognised in the period for bad or doubtful debts in respect of the amounts owed by related parties.

c) Purchase and sale of investment property

Transactions related to the purchase and sale of non-current assets with related parties.

<i>Company (EUR'000)</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Other related parties	71	130
Total	71	130

In 2024, the Company purchased non-current assets in the amount of EUR 28 thousand from the subsidiary SLOWWOOD Ružomberok, a.s.

In 2023, the Company purchased non-current assets in the amount of EUR 81 thousand from the sister company Mondi Štětí, a.s.

The transactions related to the purchase and sale of non-current assets with related parties also include capitalised costs from related parties. The capitalised costs from related parties in both years represent technical appreciation costs for information technology.

d) Other transactions

Other transactions result from the Company's cash pooling system with related parties and the dividend flow from its subsidiaries and related parties.

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For the current reporting period:

<i>(EUR'000)</i>	<i>Year ended 31 December 2024 / as at 31 December 2024</i>			
	<i>Interest Income</i>	<i>Interest Expense</i>	<i>Receivables to Related Parties from Cash Pooling</i>	<i>Payables to Related Parties from Cash Pooling</i>
<i>Company</i>				
Subsidiaries	219	290	-	14,444
Other related parties	2,181	-	135,418	-
Total	2,400	290	135,418	14,444

For the previous reporting period:

<i>(EUR'000)</i>	<i>Year ended 31 December 2023 / as at 31 December 2023</i>			
	<i>Interest Income</i>	<i>Interest Expense</i>	<i>Receivables to Related Parties from Cash Pooling</i>	<i>Payables to Related Parties from Cash Pooling</i>
<i>Company</i>				
Shareholders	-	9	-	-
Subsidiaries	82	366	-	18 706
Other related parties	680	-	41 896	-
Total	762	375	41,896	18,706

e) Sale of Subsidiaries

Effective February 27, 2023, the Company completed the sale of shares in two Austrian companies, Mondi Neusiedler GmbH and Ybbstaler Zellstoff GmbH. The sale was conducted within the Mondi Group. The loss from the sale of shares in both Austrian subsidiaries amounted to EUR 30,600 thousand. Further details are provided in Note 14.

The Board of Directors makes decisions on related party transactions. The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expenses have been recognised in the period for bad or doubtful debts in respect of the amounts owed by related parties.

29. COMPENSATION OF KEY MANAGEMENT PERSONNEL

The salaries and remuneration of the Company's bodies and key members of the Company's management (Top Management) were represented by employee benefits as follows (EUR'000):

<i>Body</i>	<i>Year ended 31 December 2024</i>	<i>Year ended 31 December 2023</i>
Salaries and short-term employee benefits	1,959	1,796
Contributions and social insurance	490	450
Share payments	68	59
Total	2,517	2,305

The accompanying notes from 1 to 31 are an integral part of these separate financial statements

30. CONTINGENT LIABILITIES

a) *Litigation and Potential Losses*

The Company is involved in a number of active and passive legal cases that arise from ordinary business activities. It is not expected that such activities should have, individually or in aggregate, a significant negative impact on the accompanying financial statements.

b) *Emissions Allowances*

In 2005, the EU-wide greenhouse gas emissions rights trading scheme came into effect together with the Act on Emissions Rights Trading passed by the Slovak Parliament in order to implement the related EU Directive in Slovakia. Under this legislation, the Company is required to deliver emissions allowances to the Slovak Environmental Office to offset actual greenhouse gas emissions.

The Company decided to record emissions rights received using the net liability method; it does not record any liability for actual emissions on the basis that the Company has received adequate emissions rights to cover its actual emissions. The Company had an obligation to deliver emissions rights for actually produced emissions. This obligation was fulfilled by delivering emissions rights for the 2023 reporting period by 30 April 2024. The Company received the emission rights for 2024 (reporting period) in April 2024.

c) *Bank Guarantees*

As at 31 December 2024, Mondi SCP, a. s. has no bank guarantees issued.

d) *Capital Expenditures*

The value of open investment contracts as at 31 December 2024 is amounted to EUR 11,457 thousand (as at 31 December 2023: amounted to EUR 17,288 thousand).

31. POST- BALANCE SHEET EVENTS


There have been no other material events subsequent to 31 December 2024 that would affect the Company's assets and liabilities reported in these financial statements.




Joachim Grünewald



Milan Sloboda
*Signature of the Person
Responsible for
Bookkeeping:*



Ronald Pfeifer
*Signature of the Person
Responsible for the
Preparation of the
Financial Statements:*



MILOSLAV ČURILLA
*Signature of a Member of
the Statutory Body of the
Reporting Enterprise:*

Prepared on:
28 February 2025

Approved on: