



**SUPPLEMENT TO THE INDEPENDENT
AUDITOR'S REPORT ON THE
CONSOLIDATED ANNUAL REPORT OF
THE COMPANY**

I.D.C. Holding, a.s.

for the year ended 31 December 2024

SUPPLEMENT TO THE INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL REPORT

To the Shareholder, Supervisory Board, Board of Directors and Audit Committee of the company I.D.C. Holding, a.s.:

to paragraph II.1 Report on Information Disclosed in the Consolidated Annual Report

We have audited the separate financial statements of I.D.C. Holding, a.s. („the Company“) as at 31 December 2024, presented in the attached consolidated annual report of the Company, to which we issued on 31 March 2025 independent auditor report presented in the attached consolidated annual report of the Company. This supplement was prepared in accordance with the Act on Statutory Audit No 423/2015 Coll § 27 par. 6 and on amendments to the Act on accounting No 431/2002 Coll as amended by later legislation (“the Act on statutory audit”).

Based on procedures performed described in paragraph II.1 of the Independent Auditor's Report - Report on Information Disclosed in the Consolidated Annual Report, in our opinion:

- Information disclosed in the consolidated annual report prepared for the year 2024 is consistent with the separate financial statements for the relevant year; and
- The consolidated annual report, with the exception of requirements relating to reporting on sustainability information, contains information pursuant to the Act on Accounting.

Furthermore, based on our understanding of the Company and its position, obtained during the audit of the separate financial statements, we are required to report whether material misstatements were identified in the consolidated annual report, which we received prior to the date of issuance of this auditor's report. In this respect, there are no findings that we should report on.

Bratislava, 29 April 2025



Ing. Romana ĎURKÁČOVÁ
Responsible auditor
Licence UDVA No. 1282



On behalf of the audit company:
BDO Audit, spol. s r. o.
Pribinova 10
Bratislava, Slovak republic
Licence UDVA No. 339

Note - This is a translation of the original Slovak Auditor's Report to the accompanying financial statements translated into English language.

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Consolidated Annual Report I.D.C. Holding, a.s. for 2024

IČO: 35 706 686
DIČ: 2020192152
IČ DPH: SK2020192152
Akciová spoločnosť
zapísaná Mestským súdom
Bratislava III, odd. Sa,
vl. č. 1275/B

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FOREWORD

Dear colleagues,

Dear business partners,

I would like to begin by expressing the strong sense of respect and gratitude that I feel to be addressing you as CEO of I.D.C. Holding a.s., the largest producer of long-life pastries and confectionery in Slovakia.

I feel immense pride when I consider the history of production going back more than 100 years at our Figaro Trnava plant and more than 70 years at Pečivárne Sereď, our ability to maintain output of over 34 000 tonnes with great results and around 1 100 employees, not just in Slovakia but across the V4 countries.

I am proud to present the consolidated annual report of I.D.C. Holding, a.s. for the period 1 January 2024 to 31 December 2024, which provides a comprehensive overview of our activities in this period, a summary of key events and an outline of our vision in key areas.

Overall, I can say that as a group we achieved our strategic goals in the business, production and social spheres in 2024.

It was an exceptional year for us in several ways. I am very pleased to say that we once again defended our first place in the Slovak and Czech wafer market. We have maintained our number two ranking for biscuits in the Slovak market and we are the number one brand for sponge biscuits in Poland.

These market rankings show that we have correctly identified the needs of our consumers and met the expectations of both our upstream and downstream business partners while making optimal use of our production capacity.

Our efforts have also won several awards for our Company. I.D.C. Hungaria won a Superbrands award for the Verbena brand while I.D.C. Polonia received a Forbes Diamonds award as one of the most dynamically growing companies in the Polish market. Our marketing campaign under the Mila brand focusing on preventive healthcare for women also won an award. Our No Bra Day campaign took second place in the Golden Semicolon awards honouring the best marketing campaigns in the Slovak and Czech markets.

In 2024, we launched several product innovations in the markets where we operate. Following the success of the Mini Mila concept, fans of smaller packs got a new slimmed-down treat. Mini Horalky 3 x 27 g are an alternative to the classic 50 g version of Horalky. They are small, good for a quick snack, a reward for completing a task, or elevenses at school.

Horalky, our most important brand, had another big moment early in the year. The visibility that we achieved for Horalky at the Alpine Ski World Cup in Jasná, which was watched by more than 100 million viewers in 160 countries, was the largest that this brand has ever achieved.

As a major employer in the region we have struggled with a shortage of skilled workers. The lack of production workers impacted some of our production plans and in recent years, we were not always able to cover the volume of deliveries that our business partners required. We addressed the labour shortage in the Slovak market by employing people from the Balkan countries and from outside the European Union. With this decision we have stabilised our workforce.

An important legislative change impacting our company is the entry into force of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

We are proud to be in the first wave of businesses in Slovakia presenting a sustainability statement for 2024. The sustainability statement is integrated into this annual report.

The most important change since the start of 2025 is the completion of the Company's acquisition, which was also a major influence on events throughout 2024. More than 30 years after its privatisation, I.D.C. Holding, a.s. has come into the hands of a new owner. At the start of August 2024, the then owner Pavol Jakubec signed an agreement to sell 100% of the company's shares to Valeo Foods Group owned by global investment giant Bain Capital.

The acquisition was built on strong synergies. Valeo Foods is one of Europe's fastest growing food groups and one of Europe's leading manufacturers and suppliers of quality confectionery, snacks and refreshments. The Valeo Foods Group portfolio consists of around 80 brands and exports to more than 100 countries around the world with sales of over EUR 1.5 billion.

Together with the Czech confectionery manufacturer Candy Plus, I.D.C. Holding, a.s. and its subsidiaries form a strategic base for the group in Central and Eastern Europe under the Valeo Foods CEE brand.

I would like to conclude by thanking all my colleagues for their enthusiasm, loyalty, many good ideas and the enthusiasm and energy they have shown in implementing them. Many thanks also to our business partners for their trust and support, and last but not least also to our consumers for their goodwill.

I believe that our new connection with Valeo Foods Group as one of Europe's leading manufacturers of sweets and snacks will create strong synergies for I.D.C. Holding, a.s., and help our employees, business partners and consumers to grow and prosper.

Ing. Jana Račková, PhD.

Interim CEO

IDENTIFICATION DATA AND INFORMATION ON THE PARENT COMPANY

Key information on the parent company

Business name:	I.D.C. Holding, a.s.
Registered office:	Bajkalská 19B, 821 01 Bratislava
Company ID:	35 706 686
Date of incorporation:	16 January 1997
Legal form:	joint-stock company
Share capital:	EUR 15 272 000

The company is registered in the Business Register of the City Court Bratislava III, Section Sa, File No. 1257/B.

Business activities:

The main activity of I.D.C. Holding, a.s., is the manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes.

Company awards

Year 2024

- We won third place in the Digital Pie digital marketing competition in the Digital media solution category for our technological solution used in optimising and measuring attention in our campaign for LINA.
- In the largest communications competition in the Czech and Slovak Republics, the Golden Semicolon, we ranked in second place in the Creative Idea category for the No Bra Day activity with the MILA brand.
- Our company I.D.C. Polonia s.a. performed well in the prestigious Forbes Diamonds 2024 list of the most dynamically developing companies in Poland based on analysis of financial statements for the last three years. The list is compiled by the staff of Forbes magazine and Dun & Bradstreet Poland.

Year 2023

- Winning the Best Managed Companies Slovakia 2023 award for the second year in a row.

Year 2022

- Winning the Best Managed Companies Slovakia 2022 award. The decision of the expert jury, which evaluated the participating companies, was based on Deloitte's global methodology, which evaluates companies based on four pillars: strategy, productivity and innovation, corporate culture, management and financial results.
- I.D.C. Holding, a.s. received an award from *Spoločnosť priateľov detí z detských domovov Úsmev ako dar* (Society of Friends of Children from Children's Homes – A Smile as a Gift) for the second time in recognition of its invaluable long-term support of and assistance to families and children facing difficult life situations.

Company product awards

The Company received several awards for its high-quality products that were positively received by customers also thanks to the attractive packaging and efficient marketing support.

Year 2024

- In 2024, Verbena won a Superbrands award for the Hungarian market, which the brand will communicate on its packaging for one year. The Superbrands designation identifies brands with outstanding recognition, popularity and financial stability.
- Góralki Giga won first place in the Specjał Group Capital Competition for fast-moving consumer goods on the Polish market. The evaluation criteria were product packaging and visual attractiveness, price attractiveness and quality and sensory evaluation.

Year 2023

Receiving an honourable mention in the cyclical competition "Golden Innovations FMCG & Retail 2023" for our subsidiary I.D.C. Polonia S.A. with the product Góralki Snack. Each year, the competition selects products and services that are characterised by an exceptional degree of innovation when they are placed on the market. This year was the 5th edition of the event.

Polish Traders Award 2023 for our subsidiary I.D.C. Polonia S.A. and obtaining the certificate "recommended product" for the product Góralki TOP chocolate 40 g in the category Bars and wafers.

Structure of the parent company's bodies

Board of directors

To 14 March 2024:

Ing. Roman Ježo	Chairman of the Board of Directors
Paulína Jakubec	Member of the Board of Directors
RNDr. Ing. Marcel Imrišek	Member of the Board of Directors

From 21 March 2024:

Paulína Jakubec	Chairman of the Board of Directors
RNDr. Ing. Marcel Imrišek	Member of the Board of Directors
Ing. Jana Račková, PhD.	Member of the Board of Directors

Supervisory Board:

Ing. arch. Pavol Jakubec	Chairman of the Supervisory Board
Matej Bošňák	Member of the Supervisory Board
Mária Chatrnúchová	Member of the Supervisory Board

Senior Management of the Company

Ing. Roman Ježo	CEO (<i>to 14 March 2024</i>)
Marek Gombita	Director of the Financial and Economic Division (<i>to 19 March 2024</i>)
Ing. Ľubica Kucserová	Director of the Sales Division
Ing. Jana Račková, PhD.	Director of the Production Division

Proposal for the distribution of the parent company's profit for 2024

Profit After Tax	EUR 5 626 thousand
Transfer to account 428 - Retained earnings from Previous Years	EUR 5 626 thousand

INFORMATION ON SELECTED SUBSIDIARIES

Selected Ownership Interests Abroad

Business name of company	I.D.C. Praha, a.s.
Registered office	Kubánské náměstí 1391/11 Vršovice 100 00 Prague 10, Czech Republic
Business activities	The company distributes and sells the products of the I.D.C. Holding, a.s. Group in the Czech Republic.

Year	2024	2023
Share capital (in EUR thousands)	3 971	4 045
Annual turnover (in EUR thousands)*	62 482	62 306
Profit/loss for the reporting period (in EUR thousand)	2 202	2 605

Note: The source of the table data are the separate financial statements of I.D.C. Praha, a.s. presented in local currency, which was converted to euro.

*Annual turnover – revenues from the sale of own products, merchandise and services

Business name of company	I.D.C. POLONIA S.A.
Registered office	ul. Bartnicka 35, 30-444 Libertów, Krakow, Poland
Business activities	The company distributes and sells the products of the I.D.C. Holding, a.s. Group in Poland.

Year	2024	2023
Share capital (in EUR thousands)	2 339	2 304
Annual turnover (in EUR thousands)*	36 642	35 436
Profit/loss for the reporting period (in EUR thousand)	588	1 336

Note: The source of the table data are the separate financial statements of I.D.C. POLONIA S.A. presented in local currency which was converted to euro.

*Annual turnover – revenues from the sale of own products, merchandise and services

Business name of company	I.D.C. HUNGÁRIA Zrt.
Registered office	Leshegy utca 3, 2310 Szigetszentmiklós, Hungary
Business activities	The company distributes and sells products of the I.D.C. Holding, a.s. in Hungary.

Year	2024	2023
Share capital (in EUR thousands)	1 580	1 698
Annual turnover (in EUR thousands)*	17 342	17 035
Profit/loss for the reporting period (in EUR thousand)	607	1 147

Note: The source of the table data are the separate financial statements of I.D.C. HUNGÁRIA Zrt. presented in local currency, which was converted to euro.

** Annual turnover – revenues from the sale of own products, merchandise and services*

Information on consolidation

The Group means the parent company and all its subsidiaries.

The Group's parent company is I.D.C. Holding, a.s., with its registered office at Bajkalská 19B, 821 01 Bratislava.

The Group adopted all the new and revised standards and interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB as adopted by the European Union that are relevant to its operations and are effective for the reporting periods beginning on 1 January 2024.

The Company consolidates the financial statements of all subsidiaries. Companies in which I.D.C. Holding, directly or indirectly, has an ownership interest of usually more than one-half of the voting rights or otherwise has control over their operations are defined as subsidiary undertakings (subsidiaries) and are consolidated using the full method of consolidation. Subsidiaries are consolidated from the day the parent company acquired control and deconsolidated from the day such control ends.

All transactions, balances, and unrealised profits and losses on transactions within the Group were eliminated upon consolidation.

Summary of all companies forming the consolidation group as at 31 December 2024

Company	Country of establishment	Parent Share %	Company
I.D.C. Praha, a.s.	Czech Republic	100	
I.D.C. POLONIA S.A.	Poland	100	
I.D.C. HUNGÁRIA Zrt.	Hungary	100	

Note: On 25 July 2024 the companies Coin, a.s. and GROSER a.s. were sold outside the scope of consolidation. From the date this transaction, Coin, a.s. and GROSER a.s. are no longer included in the scope of consolidation.

RESULTS OF OPERATIONS IN 2024

Production and commercial activity

I.D.C. Holding, a.s. has set its 2024 targets with a view to responding to the existing macroeconomic environment while achieving its sales ambitions. One of its long-term priorities is to be a stable and strong company with a leading position in the Slovak market and other key markets (the Czech Republic, Poland and Hungary). The Company continued to focus on the promotion of traditional products in 2024.

Total sales of own products, services and goods for the companies in the Group reached EUR 195,041 thousand in the reporting period. Our core brands enabled the Group to confirm its strength in the Slovak and Czech markets and retain its leading position in the key segment - wafers.

Quality assurance system

The production of quality and safe products that meet strict criteria and standards is one of our priorities and therefore we undergo a recertification audit at all our establishments every year, we perform internal audits at selected workplaces and our suppliers of input materials and services are also subject to an external audit. Audits were carried out continuously during the year and found no systemic non-conformities.

In April, the audit firm SGS carried out a recertification audit of all our establishments based on IFS Version 8 and we successfully defended our certification.

All establishments were evaluated as "HIGHER level". The percentage scores were as follows: Pečivárne Sereď 95.55% compliance, Figaro Trnava 95.38% compliance and Cífer 96.36% compliance.

In June, TESCO carried out an unannounced audit at Pečivárne Sereď using TFS version 2.1. We achieved the same result as in the previous audit, i.e. level 4 out of a possible 5.

Internal audits using IFS version 8 were carried out on schedule in all workplaces of the Pečivárne Sereď, Figaro Trnava and Cífer establishments. A scheduled internal audit using TFS version 2.1 was carried out in all workplaces of the Pečivárne Sereď establishment.

In 2024, audits were carried out at the following suppliers of input materials:

I.D.C. Hungária, Zrt. - subsidiary
I.D.C. Praha, a.s. - subsidiary
Tereos TTD, a.s - supplier of raw materials
Agrana Slovakia - supplier of raw materials
ESA Logistics - service provider
Delirest Slovakia, s.r.o. - service provider

In 2024, we carried out a total of 142 evaluations of suppliers of basic materials.

This breaks down as 84 suppliers of raw materials and 58 suppliers of packaging.

All suppliers of basic materials satisfy the set criteria and meet our requirements.

In **2024**, we carried out a total of **100** evaluations of service providers with a direct influence on the safety and quality of production.

This broke down as **61** evaluations of technical service providers, **16** evaluations of metrology service providers and **23** evaluations of companies providing other services affecting food quality and safety (PPE, rental, hygiene, disinfection and pest control, security, transport, catering, external lab services, waste disposal etc.).

Investments

In 2024 the company made investments in tangible and intangible assets with a value of EUR 2 635 500 in accordance with the applicable investment plan for 2024. Investment were fully covered by own resources.

Type of investment:	Investment amount in thousand EUR	Investment %
Intangible assets	472	17.91
Buildings and land	86.5	3.28
Machinery, equipment etc.	2 077	78.81
TOTAL:	2 635.5	100.00

Investment, Innovation and Production Plans

In 2025, the Company plans to focus its investments on expanding its product portfolio and increasing production efficiency. We will continue to develop information management and the digital transformation in production. In line with our environmental policy, we will work intensively on the construction of a wastewater treatment plant.

Development of new products

Total expenditure on R&D in 2024 amounted to EUR 585 000.

Description of the activity – year 2024	Amount in thousand EUR
Project costs	26
Cost of laboratory analyses	46
Wages and salaries	513
TOTAL:	585

New Products Launched in 2024

Mini Horalky

The Mini Horalky launch in spring 2024 was one of the most eagerly anticipated and most substantial changes to our classic Horalky product in its history. The product features a smaller version of the classic Horalky wafer in a 3 x 27 g multipack. It has a permanent listing in the Czech market and is currently offered as an in-out product in Slovakia.

In the Czech market, it was launched with 360-degree communication under the headline “Made for sharing” that was designed to appeal to a younger target group aged 18 to 30. The aim was to introduce Mini Horalky as a version of the classic product that it would be a pleasure to share. The communication also included a packed snack boxes that associated Mini Horalky with elevenses at school.

Lina redesign and Lina bar

Lina wafers were relaunched with redesigned packaging to modernise the product, improve its on-shelf visibility and raise its visual value, while also making it more attractive to younger consumers.

Alongside the new design, we adopted a new communication concept with the headline “I know I can”, which is intended to appeal to a wider and younger target group aged 25+.

We added a 50 g Lina bar to our portfolio in the Czech and Slovak markets; this is a fully coated chocolate bar with hazelnuts. It was placed on both markets as an in-out listing.

Salted caramel Rodinné oblátky 130 g

The new salted caramel flavour was added to the popular Rodinné oblátky (Family Wafer) line as a limited edition. Salted caramel is a trendy flavour across the whole V4 confectionery market. Why, I hear you ask, is salted caramel so popular? Precisely because it provides a contrasting flavour experience. This unusual filling sandwiched between two crispy wafers creates a unique taste sensation.

The new flavour was introduced on the Slovak and Czech markets as a 130 g pack.

Chocolate-coated strawberry and mango jellies 40 g

After we gave our favourite traditional Banana in Chocolate bar a new outfit, we revamped the insides with new strawberry and mango variants. The bars offer a delicious combination of chocolate and fruit flavours. They are also gluten-free.

The new flavours were introduced on the Slovak and Czech markets as a 40 g bar.

Vesna blackcurrant 50 g limited edition

The traditional Vesna got a limited edition blackcurrant version which won new customer and contributed to increased sales. The fresh fruit flavour appealed to fans of the original combination and confirmed the brand’s strength on the market.

Kakaové rezy orange and almond wafers 50 g special winter edition

The limited edition strategy aims to revitalise the portfolio, bring in new customers and try out innovations. The combination of cocoa, orange and almond flavours in the traditional Kakaové rezy

cocoa-flavour wafers was a limited edition aimed at more demanding consumers who like to sample something new.

New products specific to the Hungarian market

Bombi gingerbread currant 50 g

In 2024 a currant flavour version was added to the Bombi gingerbread line. This delicious snack for both young and old in a traditional and popular fruit flavour was placed on the market in a 50 g pack.

Moments mini 3 x 27 g milk and chocolate flavour

The campaign for Moments Mini which ran in May was a great success. The attractive new mini format won customers' hearts thanks to its practicality and great taste. Positive feedback and strong interest confirm that a smaller package is an ideal choice for everyday treats and sharing.

Moments Orange and Almond limited edition 45 g

This special winter edition with the refreshing flavour of oranges and almonds delighted everyone who was looking for an original taste sensation during the cold months. The aim was to boost interest in the basic Moments 45 g line and offer the Hungarian market a flavour that sets us apart from the competition. At the same time we reached out to customers looking for something new.

New products specific to the Polish market

Góralki Original Caramel 45 g

At the start of 2024, we launched a new caramel-flavour Góralki Original, which is gradually replacing the current peanut butter variant. This modern and trendy flavour capitalises on the ever-increasing popularity of caramel and will strengthen the brand's market appeal. This approach was adopted strategically to preserve our position on the market because we noticed a slowdown in the sale of the sale of peanut butter flavour.

Góralki Nagie black currant 45 g

The new flavour for summer 2024 appeals to Polish consumers who seek out innovative flavours and concepts. This product created a fresh sensation in the Góralki Nagie portfolio. It won over customers with its unique and modern approach. The aim was to support sales during the summer when customers prefer uncoated products.

Business activity

Slovak Republic

Basic indicators of economic development - 2024 (comparison with 2023)	Change
GDP (year-on-year % change)	+1.8%
Average annual inflation rate (year-on-year % change)	+2.8%
Average nominal wage (year-on-year % change)	+6.6%
Average real wage (year-on-year % change)	+3.7%
Unemployment rate (year-on-year change in % points)	-0.5%
Retail sales (year-on-year % change)	+1.9%
Consumer price index in the group "Food and non-alcoholic beverages" (year-on-year % change)	+2.5%

Source: SO SR

Sales revenue in 2024 reached a growth of 2%. The sales volume increased by 2% compared to the previous year.

Market shares in the wafer segment reached 45% in volume and 50.1% in value, thus confirming that we are still leaders in this category on the Slovak market. In the biscuit category, we are number two on the market with a market share of 6.7% in volume and 6.6% in terms of value.

In 2024, we introduced the following new products to the Slovak market: Mini Horalky 3 x 27 g in-out, Lina coated chocolate bar with hazelnuts 50 g in-out, Salted caramel family wafers 130 g, chocolate-covered strawberry and mango jellies 40 g.

We supported our traditional specialties (Kávenky, Kakaové rezy, Vesna) with a digital campaign in which we introduced the limited edition blackcurrant Vesna 50 g. Sales of 39 t exceeded our original plan. We have introduced a strategy of focussing on limited edition offerings for uncoated wafers as a way to reach new customer groups. We made the portfolio more attractive with the special winter edition of orange and almond Kakaové rezy 50 g.

Czech Republic

Basic indicators of economic development - 2024 (comparison with 2023)	CZ
GDP (year-on-year % change)	+1.1%
Average annual inflation rate (year-on-year % change)	+2.5%
Average nominal wage (year-on-year % change)	+7.00%
Average real wage (year-on-year % change)	+4.6%
Unemployment rate (year-on-year change in % points)	-0.1%
Retail sales (year-on-year % change)	+4.6%

Consumer price index in the group “Food and non-alcoholic beverages” (year-on-year % change)	+0.3%
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Source: Czech Statistical Office

The Czech economy achieved moderate growth in 2024 mainly thanks to a revival in household consumption. According to the Czech Statistical Office, gross domestic product grew by 1.1% year on year and inflation slowed significantly in 2024. The average inflation rate for 2024 was 2.4%. The labour market remained stable with low unemployment and renewed growth in real wages, which boosted people’s purchasing power.

Overall, 2024 can be seen as a period of moderate economic growth, stabilisation of price growth and stronger domestic demand, which creates a positive base for further development in 2025.

The year presented many significant challenges and opportunities for us and for the food sector as a whole. We can conclude that our branch in the Czech Republic has managed to maintain steady growth and customer confidence. One of the key success factors was the focus on innovation, efficiency and sustainability. We invested in employee training and at the same time we benefited from the experience of our new colleagues.

Although developments at I.D.C. Praha, a.s., did not meet expectations in the first quarter, management and business tools were used to achieve the set business goals. The branch has achieved a leading position in the largest segment of the Czech market for preserved pastry products, which is wafers. We also managed to maintain continuous cooperation with all important business partners in the Czech market.

Poland

Basic indicators of economic development – 2024	
(comparison with 2023)	Poland
GDP (year-on-year % change)	+ 2.90%
Average annual inflation rate (year-on-year % change)	+ 3.70%
Average nominal wage (year-on-year % change)	+ 11.00%
Average real wage (year-on-year % change)	+ 9.5%
Unemployment rate (year-on-year change in % points)	5.4%
Retail sales (year-on-year % change)	+ 1.9%
Consumer price index in the group “Food and non-alcoholic beverages” (year-on-year % change)	+3.6%

Source: Polish Statistical Office

The Polish market was stable in 2024. The market share of discount chains grew significantly, mainly at the expense of hypermarkets and smaller stores. Since autumn, there has been a price fight between

the biggest players in the comparative advertising market on television with the prices of basic products.

Thanks to marketing activities and sales promotions in 2024, the Góralcki brand has increased its share in the category of impulse wafers up to 50 g, with Nielsen IQ data showing it reaching and holding 3rd place in this category. This result in such a competitive environment as the Polish market is a great success.

The ANDANTE brand which mainly covers biscuits, managed to complete the distribution and thanks to online support, the sales plan in volume was met and significantly exceeded by 10% and in sales the plan was exceeded by 30%. In the biscuits category, we became the market leader in total volume for all kinds. In 2024, we began distributing two new wafers under the Góralcki brand, namely Góralcki GIGA 50 g and Góralcki Original caramel 45 g. The aim was to make the product portfolio more attractive with new flavours so that the customer would register that the Góralcki brand moves with the times and is a modern and attractive brand.

The Góralcki, Verbena and Andante brands received media support throughout 2024. We are continuing to make improvements in our product distribution.

Marketing measures included numerous flyer campaigns and, in particular, the display of our products in stands, which is currently a highly preferred form of sales support, especially in foreign sales networks.

Hungary

Basic indicators of economic development - 2024	
<i>(comparison with 2023)</i>	Hungary
GDP (year-on-year % change)	+0.4%
Average annual inflation rate (year-on-year % change)	+ 3.70%
Average nominal wage (year-on-year % change)	+11.90%
Average real wage (year-on-year % change)	+10.00%
Unemployment rate (year-on-year change in % points)	+0.00%
Retail sales (year-on-year % change)	+4.10%
Consumer price index in the group "Food and non-alcoholic beverages" (year-on-year % change)	+5.40%

Source: Central Statistical Office

For the year 2024, IDC Hungary achieved sales growth in volume by 3.5% compared to 2023 and, in financial terms, achieved net sales of EUR 17 342 000. Four key brands were supported through marketing activities in 2024.

Sales of Moments wafers reached 1 500 tonnes, which is a significant milestone in the life of the brand. This represents a 14% increase compared to 2023. Our new product Moments Mini, which was launched in two flavours this year, contributed 80 tonnes of sales. The company promoted the brand with two TV campaigns and generated significant activity on social media.

The second largest sales volume was achieved by the Andante product line, while the third major brand in the portfolio is Verbena, which consists mainly of sweets. The brand has a strong presence on social media and it is regularly supported by TV campaigns and consumer competitions. A major achievement showing recognition of the Verbena brand is the Superbrands award, which will be displayed on the line's packaging for one year.

Sales of Bombi products increased by 18% in volume terms compared to the previous year. The brand's marketing support has proven to be effective. Bombi Klub remains popular with consumers and the brand's social media presence is growing.

Major suppliers

Major suppliers	
AAK Sweden AB	Chemosvit folie, s.r.o.
Agrana Sales & Marketing GmbH	Kuk Slovakia s.r.o.
Danakta spol. s r.o.	Milkpol Slovakia, s.r.o.
GOLDEGS SPOLKA Z OGRANICZONA ODPOWIEDZIALNOSCIA	Ovotrade,s.r.o.
GoodMills Magyarország Malomipari Kft.	Pfahnl Bacmittel s.r.o.
Grafobal, akciová spoločnosť	Tereos TTD, a.s.

Major customers

Major customers	
Biedronka - Jeronimo Martins Group	Koninklijke Ahold Delhaize N.V.
BILLA s.r.o	Lidl Slovenská republika, s.r.o.
CBA CBA SK, a.s.	Metro METRO Cash & Carry SR s. r. o.
COOP Jednota Slovensko, spotrebné družstvo	Penny Market s.r.o.
Eurocash S.A.	Potraviny FRESH s.r.o.
Kaufland Slovenská republika v.o.s.	SPAR International
	TESCO STORES SR, a.s.

Economics and asset management

At the end of 2024, the Slovak economy maintained its year-on-year and quarter-on-quarter growth. The growth rate was higher than in the previous quarter.

Gross domestic product (GDP) at constant prices was 1.8% higher in the 4th quarter of 2024 than a year earlier. The growth rate was faster than in the previous quarter. After adjustments for seasonal effects, growth reached 1.7%. Compared to the previous quarter, GDP growth was up by 0.5%. This is

based on the GDP flash estimate for the 4th quarter, which is the first interim economic data to be published.

The Statistical Office of the Slovak Republic has confirmed that the inflation rate measured by the consumer price index reached 2.8% on average in 2024.

Prices fell by an average of 0.5% month on month During December 2024. This was the largest month-on-month decline in prices since 2001. The month-on-month decline affected only 2 of the 12 studied areas but they recorded such sharp drops that the aggregate result was a record fall.

Nominal wage growth was sufficient to withstand inflation and achieve real growth in all 10 of sectors monitored monthly during 2024. Employees in retail, transport and storage had the largest year-on-year increases. Overall employment increased in 6 out of 10 sectors of the economy during the year. It increased the most in selected market services whereas the largest decreases were in manufacturing.

In December 2024, average nominal monthly salaries were higher year-on-year in all 10 monthly monitored sectors though most had slower growth than in the previous month. The fastest growth, which achieved double digits, was in the sale and repair of motor vehicles, and growth exceeded 7% in sectors with large numbers of employees such as manufacturing and retail.

In real terms, after adjusting for inflation, wages increased in 8 out of 10 sectors ranging from 0.5% in information and communication to 8% in sale and repair of motor vehicles. There was strong growth (above 5%) also in retail wages. Year-on-year wage decreases of up to 0.9% affected employees in wholesale and selected market services.

Total retail sales grew by 1.9% in 2024, which is one of the best results since 2013.

Sales growth was reported by merchants in 6 of 9 monitored retail categories. The result was significantly influenced by sales growth in hypermarkets and supermarkets (non-specialised retail stores) amounting to 4%. This was the third best result for this retail segment in the last 12 years. Strong support for overall growth also came from mail order sales (retail trade not in stores, stalls or markets), which grew year on year by 28.7%. Increases ranging from 4% to 6% were recorded for stores selling textiles or footwear, drugstores and pharmacies (special sale of other goods), DIY, furniture and consumer electronics stores (specialised sale of other household goods). Specialised stores selling food, beverages and tobacco also had a good year, with sales increasing by 16.5% year on year.

Consolidated Statement of Comprehensive Income

Sales of own products, goods and services for all companies in the Group reached EUR 194 041 thousand in the reporting period. In a year-on-year comparison, the Group recorded an increase in total sales by 2%. The Slovak Republic accounts for the largest share of sales with 40% followed by the Czech Republic with 32%, Poland with 19% and Hungary with 9%.

The Group made an after-tax profit of EUR 5 626 thousand in 2024.

Development of Assets and Liabilities (Consolidated Balance Sheet)

Compared to the balance as at 31 December 2023, the Group assets increased from EUR 336 430 thousand to EUR 337 168 thousand. The total value of assets was affected by the decrease in inventories.

Additions and transfers under “Assets under Construction” are mainly related to investment projects associated with the replacement and reconstruction of technological equipment and the reconstruction and expansion of the Pečivárne Sered’ plant of the parent company.

The Group's equity decreased by EUR 43 212 thousand to EUR 128 237 thousand compared to the same period of the previous year.

The Group's total liabilities increased by EUR 43 949 thousand year-on-year. In terms of aging structure, the Group recorded a decrease in long-term liabilities and an increase in short-term liabilities.

The total balance of bank loans and bonds of the Group decreased year-on-year from EUR 132 017 thousand as of 31 December 2023 to EUR 113 281 thousand as of 31 December 2024.

Price, Credit and Currency Risks, Liquidity Risks and Cash Flow Risks to Which the Group Is Exposed

The Group is exposed to various risks, which include the effects of fluctuations in foreign exchange rates, debt interest rates, and commodity prices. In its risk management programme, the Group focuses on the unpredictability of financial markets and aims to minimise potential negative impacts on its financial situation.

Planning and implementation of the purchase of strategic inputs in volume and time depends on the current development and price prediction on the commodity exchange.

The group eliminates the risk of price movement and supply stability by distributing supplies to several suppliers.

The Group's operating revenues and cash flows from operations are largely independent of changes in market interest rates. The Group's portfolio of external debt mostly bears interest at fixed rates.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of a financial loss from defaults.

Transactions in derivatives and cash are limited to reputable financial institutions.

I.D.C. Holding, a.s. has had a reputation of a trustworthy long-term partner and in relation to financial institutions it meets all financial covenants, obligations and conditions agreed in loan agreements and bond issue conditions.

The management of receivables and their collection at maturity is a prerequisite for securing sufficient liquidity to repay the Group's liabilities. Therefore, the Group puts great emphasis on its receivable management system, it monitors their balance on a daily basis and minimises the potential for new bad receivables.

The Group operates on international markets and is therefore exposed to foreign exchange risk arising from transactions in foreign currencies, primarily in CZK, PLN and HUF. It uses derivative instruments to partially mitigate these risks.

Key Systems of Internal Control and Risk Management in Relation to the Financial Statements

The system of internal control and risk management in relation to the financial statements of I.D.C. Holding, a.s. consists of interconnected internal directives and work procedures that address the competencies of each organisational unit. The parent company, I.D.C. Holding, a.s., has in place the “Risk Management and Internal Control System” directive, which identifies the most important risks in accounting, finance, occupational health and safety and fire protection, information technology, contracting, intellectual property, property protection and business and production risks.

The procedures and rules incorporated in the above internal directive aim to eliminate the identified risks and to ensure compliance with laws and other generally binding legal regulations related to financial statements. The Directive is reviewed regularly to identify new risks.

Subsidiary entities have their own rules to ensure the integrity of the accounting system, including independent audit and risk management system in accordance with the legislation of the respective country.

The integrity of the accounting system is ensured by coordinating work in connection with the preparation and subsequent reporting of separate financial statements of subsidiaries in consolidated financial statements prepared by the parent company.

Average number of employees

Average number of employees in the parent company and subsidiaries included in the consolidation.

	2024	2023	2022
Number of employers	1 145	1 111	1 134

Division of number of employees in the parent company and subsidiaries included in the consolidation.

Country	Women	Men	Total
Slovak Republic	615	368	983
Czech Republic	34	17	51
Hungary	17	6	23
Poland	41	47	88
Total	707	438	1 145

SIGNIFICANT EVENTS THAT OCCURRED AFTER THE REPORTING DATE

On 8 January 2025, the Company's acquisition was completed and it became part of Valeo Foods Group. I.D.C. Holding, a.s., became a 100 % subsidiary of Valeo Foods Slovakia Bidco s.r.o. The shareholder's voting rights are the same as their percentage share in the share capital. The sole shareholder decided to increase the share capital by subscribing one share with a face value of EUR 3 thousand for an issue price of EUR 84 881 thousand. In January 2025, the sole shareholder paid the corresponding cash contribution of EUR 84 881 thousand, of which EUR 3 thousand was allocated to increase of the company's share capital and the remaining sum of EUR 84 877 thousand was allocated to the share premium account.

ACQUISITION OF TREASURY SHARES, INTERIM CERTIFICATES, OWNERSHIP INTERESTS AND SHARES

The Group did not acquire treasury shares, interim certificates, ownership interests and shares during the reporting period.

STRATEGIC PLANS OF THE COMPANY

The Group focuses on the quality of its products, achieving planned market shares in core markets, consolidating existing positions on the Czech, Hungarian and Polish markets and launching new products to expand its product range for consumers.

Trade and Marketing Plans

On the market in the **Slovak Republic** we will continue to focus on our strongest portfolio, which is wafers. The focus will be on two areas – the economic efficiency of the portfolio and making the portfolio more attractive for final consumers.

As our partnership with women's skiing at the highest level yielded good results in 2024 based on our sponsorship of the World Cup in Jasná, we will continue such activities in 2025 as the general partner of Martina Dubovská and by ensuring visibility for the Horalky brand at winter resorts in Slovakia through a partnership with Tatry Mountain Resorts.

We will also work on exploiting the growth potential in other product segments with a focus on biscuits and the Verbena brand, where we hope to increase the physical availability of products alongside the introduction of new products in this segment.

Last but not least, 2025 will see the first targeted campaign supporting our traditional specialties Kávenky, Kakaové rezy and Vesna in 15 years. Our iconic Horalky brand is celebrating its 60th anniversary in 2025 and we plan sales and marketing activities reflecting this.

In the **Czech Republic**, it is crucial to develop and stabilise the physical availability of the brands Horalky Peanut Butter, Mini Mila and Lina on the market. Furthermore, as in the Slovak Republic, we will continue to focus on expanding the biscuit portfolio and gradually building the position of the Verbena brand. A significant challenge will be integrating the distribution of the Pedro brand into the sales structures of I.D.C. Praha.

In **Poland** the main challenge for 2025 is to “unlock” growth potential through discounters. Sales support and marketing campaigns will focus on our strongest brands on the Polish market, namely Góralki, Verbena, and Andante. As in the Czech Republic, we face the challenge of integrating the Pedro brand into our sales structures and achieving the defined sales target for 2025.

In **Hungary**, the main task in 2025 will be to maintain the number 2 position in the wafer market and strengthen the Company's position on the market and with its partners. Considering the consumer trends, we want to place more emphasis on permanent listing of products and strengthening partnership relations also through specific promotional events tailored to individual chains.

We also want to prepare the market for the massive introduction of the biscuit portfolio under the SEDITA brand.

Investment, Innovation and Production Plans

In 2025, the Company plans to focus its investments on expanding its product portfolio and increasing production efficiency through increased use of information technologies and digital transformation. In the area of new product development, we will focus on meeting the ambitions and objectives of the Valeo Foods Group's sales and marketing strategy. We will also address targets for protecting the environment and occupational safety.

IT plans

During the year, the Group will focus on integration and optimisation projects and activities aligned with the IT strategy of Valeo Foods, which is to provide users with tools for effective cooperation and communication with an emphasis on the security of information systems and infrastructure.

In the following period, I.D.C. Holding a.s. will continue the digital transformation of production, the collection of additional data from individual equipment in order to ensure maximum control of the production process and optimal use of production facilities, as well as implementation of requirements arising from the new Act on Cybersecurity.

Economic and Financial Policy Plans

Liquidity, stable profitability, financial stability, funds for investment plans and efficient cost management are the key strategic goals for the Group's economics and finance. The Group will continue to pursue these objectives by increasing its equity and ensuring consistent controlling.

Human Resources Plans

I.D.C. Holding, a.s. aims to remain a strong regional employer, offering an attractive environment for current employees and job seekers with its working environment, benefits and remuneration.

In a highly competitive environment with a registered unemployment rate below the Slovak average, the Company also focused on recruiting employees from third countries – outside the EU. These employees currently account for around 10% of the workforce across the I.D.C. Holding, a.s. group. This is reflected in the communication policy, which emphasises the equality of nationalities, tolerance, acceptance and mutual assistance.

The Company has invested in modernisation and automation of the production environment and information systems. Employee training had to be adapted to this and a significant proportion of employees had the opportunity to reassign to a more skilled position after completing their training to perform the job. As a company, we want to continue this trend.

Recently, the Company has focused on data collection, processing and analysis. The aim is to use data availability to manage performance and efficiency not only in production, logistics and trade, but also in the area of human resources.

CORPORATE SOCIAL RESPONSIBILITY

Brief Description of the Business Model

The I.D.C. Holding, a.s. Group is the largest producer of confectionery and long-life pastry in Slovakia. Production is concentrated at its production plants: Pečivárne Sereď, Figaro Trnava and Cífer.

The Group sells its products and services directly through the parent company I.D.C. Holding, a.s. and through its subsidiaries. The parent company, I.D.C.Holding, a.s., is responsible for and carries out commercial activity and sales of products in the Slovak Republic, and exports to foreign markets, excluding the V4 countries. The sale of products in the V4 countries is carried out by the following subsidiaries: I.D.C. Praha, a.s. in the Czech Republic, I.D.C. POLONIA S.A. in Poland and I.D.C. HUNGÁRIA Zrt. in Hungary.

The target market of the Group is the V4 market. The share of exports of total sales is growing every year, especially in key markets in the V4 countries: the Czech Republic, Poland and Hungary. The Group's future development is influenced mainly by the macroeconomic development on the Slovak market, in the countries of interest (the Czech Republic, Poland and Hungary) and by the activities of competitors in these markets. Detailed information on the Group's operations, activities and results in individual markets, its market shares and objectives is provided in Chapter 4. RESULTS OF OPERATIONS IN 2024, Section 4.1. Production and Commercial Activities and in Chapter 7. STRATEGIC PLANS OF THE COMPANY.

Description and Results of the Company's Corporate Social Responsibility Policy

The Group's CSR approach is expressed in the vision, mission, values, Code of Ethics of I.D.C. Holding, a.s. and in other documents, which result from Company processes and are a part of the quality management system (QMS) documentation.

Economic

The focus of the Group's economic pillar is on improving the quality of services provided across the entire business in line with legislative requirements.

The Code of Ethics is also one of the Group's corporate social responsibility tools and is binding for all employees of the Group. It clearly defines the following basic principles that all employees should follow:

- Company reputation and its protection,
- Protection of the environment,
- Relationship with employees,
- Relationship with competitors,
- Relationship with customers,
- Related-party transactions; and
- Protection of creditors.

The Group does not have a separate anti-corruption and anti-bribery directive or policy; however, stakeholders, including employees, may freely report to Company management any concerns regarding illegal or unethical practices at the Company by direct contact with employee representatives (unions), by e-mail, phone, post and using anonymous mailboxes at workplaces.

Pursuant to Act No. 54/2019 Coll. on the Protection of Whistleblowers and on Amendments to Certain Acts (hereinafter the "Act"), I.D.C. Holding, a.s. issued a directive – the Internal System of Investigating Notifications Complaints in compliance with the Act. This directive regulates the internal system of recording notifications in accordance with the relevant provisions of the Act.

Social

The social aspect is another pillar of the Group's corporate social responsibility, as it develops the organisation's human potential. Comprehensive employee care is a top priority at the Group. This includes hiring, onboarding, work and life balance, benefits, healthcare, occupational safety, training and coaching, and career guidance.

Selection of employees for positions

I.D.C. Holding establishes a relationship with its employees even before they are hired. In its active recruitment campaign, the Company reaches out to its future employees via communication recruitment channels (job websites, billboards, city lights, leaflets, etc.), which are used to communicate the working environment, working conditions and benefits for employees who work at IDC Holding, a.s. In 2024, the recruitment campaign was extended to local Internet media through various online banners.

All vacant positions are advertised internally and externally. Internal job advertising enables the Company to offer its employees opportunities to develop and gain experience in different roles, while also leveraging the knowledge they have acquired in their previous positions. External candidates bring new perspectives and ideas. The combination of external and internal recruitment sources creates a healthy and stimulating environment. Every new or reassigned employee is onboarded for the new role and is assigned a mentor who supports the employee during the onboarding.

The Company does not accept any discrimination and offers an employment opportunity to any candidate who meets the job requirements. This has helped us to achieve a wide diversity of employees in terms of age, nationality and religion. Over 63% employees of I.D.C. Holding, a.s. were women as at 31 December 2024. High representation of women is mainly in middle management - 66%. Women account for more than 57% of the Company's management. The Company employs parents with children of different ages. The Company has employees with 14 different nationalities, 85% are Slovak citizens. Continuing growth in foreign employees is due to targeted recruitment outside the European Union.

The average age of employees is 46. The Company also employs employees with health restrictions if the nature of the work allows it. In 2024, the Company employed 45 employees with health restrictions who performed work suitable for their health fitness level.

Given the low unemployment rate in the region which has long been below the national average, the Company uses the services of personnel agencies for temporary assignment of employees. This cooperation fully respects the applicable legislation, and the Company provides equal working conditions for temporarily assigned employees.

Employee training

Employee training is crucial for ensuring both the company's progress and the proper management of teams and individuals. The stability and loyalty of employees often depends on how they are managed. For this reason, in 2024 training focused not just on increasing employees' professional skills but also on supporting the management skills of middle management in both production and administration. Both individual coaching and group sessions were designed to help leaders acquire the many techniques needed in employee management and communication.

The significant development of project activity was supported by targeted training making use of practical tools that enable it to reach as many of the employees participating in project activities as possible.

Education remains a continuous and motivating element and thus contributes to employee loyalty.

Employee welfare

The area of social welfare is financed from the social fund and other sources. The social program of I.D.C. Holding, a.s. is part of personnel policy and focuses on long-term measures aimed at stabilization of employees, their job satisfaction and also supporting of their family background. The content of the collective agreement also includes the approved budget for employee benefits for the relevant calendar year.

Since employee care is a dynamic field, monitoring trends is key. However, we realised that employees decide best for themselves what is important to them and that is why we have allocated a financial package worth 250 euros in 2024. Employees drew the largest part of the benefits package to cover costs for: Health care, Sports rehabilitation, Cultural and sports events.

The largest part of the funds from the social fund, which the employees also use to the greatest extent, is used to provide meals for the employees.

Employee health is a priority

The Company actively cooperates with the occupational health service which regularly conducts audits of individual workplaces and provides professional advice on the working environment and occupational health, and supervision of working conditions. It proposes measures aimed at eliminating hazardous workplaces, and thus the work of employees in health-damaging environments.

As part of social care, we pay considerable attention to health care and prevention of lifestyle diseases among our employees. The annual vitamin package to boost immunity and health, as well as the organisation of "Health Days" twice a year, are very popular. Likewise, participation in the nationwide campaign "Cycle to Work" is gaining more interest from employees every year.

Employees may use a contribution from the social fund to cover the costs of recreation in combination with a recreation contribution under the Labour Code. Employees are also provided with an accommodation allowance, depending on the distance of their permanent residence from their workplace and the duration of the employment relationship under the conditions specified in the collective agreement.

Regarding occupational health and safety, the Company regularly undertakes safety checks and retrains its employees. The Company seeks to create safe working conditions for its employees, reduce the physical intensity of work, and eliminate risks. The funds regularly invested in occupational health and safety result in a lower number of accidents at individual workplaces.

Cooperation with the local community

We see hiking as a socially, economically and environmentally friendly form of tourism that provides optimal relaxation for many people. In 2024, **Horalky** remained the main partner of the “**Živé chodníky**” (Restoring Trails) program, which is covered by the **Ekopolis** Foundation.

It concerned the support for the following civil society projects:

- Veporské vrchy mountains – project to restore marked hiking trail no. 0812, Chochoľná, Slovak Tourist Club Lučenec region
- Southern Zemplin - Trail to the Lowest Point in Slovakia, TJ Sokol SOŠ Trebišov
- Klokočov (Kysuce) - project Restoring trails in Klokočov, Kysuce Tourism Organisation
- Ondavská vrchovina mountains – project to restore hiking trail markers, landscaping, Slovak Tourist Club Stropkov
- Chočské vrchy mountains - project to restore the hayloft in Dubovské lúky, OZ Sloboda v pohybe
- Slanské vrchy mountains – project to improve the surroundings of Slančík, Slančík municipality
- Slovak Karst - project to improve trails in the Slovak Karst, Slovak Cycling Club Slovak Karst

Our support of resilience of spirit and sporting talent has also translated into cooperation with **Special Olympics**. Through the packaging on the **Seditky** brand, we have clearly declared that even children who have disabilities deserve adequate support. Support for a healthy lifestyle through sport motivates our cooperation with the **O2 Matej Tóth Sports Academy**, with which the **Horalky** brand maintained its partnership during 2024.

In November, we linked a campaign for the **MILA** brand to the CSR event “**No bra day**”, following up from our first engagement in 2023, for which we received only positive feedback. The main aim of the campaign was to target a topic of interest to women, build sentiment in favour of the brand and ultimately support buying decisions. The campaign insight was to permanently fix an idea in the mind. We entered the world of women and encouraged them to find the time for regular breast checks and self-checking, just as they find time for manicures, pedicures and wellness.

Collection of school supplies

Before the start of the school year we organised a collection of school supplies for the Trnava Archdiocese Charity. The collected supplies were then delivered to the charity for distribution to specific families in need. Colleagues from all our establishments participated in the collection, which assembled a wide range of school supplies – from school bags and pencil cases to stationery and drawing aids. The aim was to help children from families in material need, abandoned children and children with health problems to whom the Trnava Archdiocese Charity provides assistance. The initiative met with great acclaim and demonstrated our employees readiness to contribute their assistance and support where needed.

Targeted product aid

We focus our help on organisations supporting sick, abandoned or otherwise disadvantaged children and we prioritise organisations working in the vicinity of our production plants. We also cooperate with national organisations dedicated to helping children on a broader level.

During 2024, we actively participated in supporting various events where we provided our products to civic associations, centres for families and children, local authorities and special primary schools. We receive the most requests for product support around the time of major children's and family holidays: International Children's Day (1 June), summer holidays, St Nicholas's Day (6 December) and Christmas. We continued our more than 20-year-old tradition of partnering with the *Úsmev ako dar* (A Smile as a Gift) organisation for a Christmas concert. We gave St Nicholas gift bags to children from centres for families and children.

For many years, our company has been active supporter of non-profit organisations such as "Detský fond SR" (Children's Fund of the Slovak Republic) that carry out projects to help disadvantaged children and young people. These projects focus on the protection of children's rights and the promotion of equality. We have also cooperated with the Slovak Humanitarian Council, which helps refugees and people in need to integrate in Slovakia.

We are also committed to supporting sports in the areas around our establishments on a long-term basis. We are a partner of the Sereď Bicycle Marathon organised by local organisation Cyklo-Tour Sereď, and in 2024 we participated in the "*Beh Nádeje*" (Run of Hope) charity event, which is organised by the POMOCNÍČEK civic association to help disadvantaged children. We also highly appreciate and strongly support the activities of the Špačince Volunteer Fire Brigade. Their men's and women's teams, together with young firefighters, regularly achieve great results in local and regional competitions.

Aid in numbers

Although the degree of help cannot always be quantified, we can say that in 2024 we helped a total of 71 organisations and donated more than 4.5 tonnes of products.

Environmental

I.D.C. Holding, a.s. has set up its production processes to meet all relevant legislative requirements for environmental protection and our production activities have no impact on the environment.

All processes at production facilities are actively managed over and above the scope of legislation, so the contribution to environmental protection is as high as possible, especially in the areas of greenhouse gas emissions, wastewater treatment, waste production, treatment and recycling.

These processes include:

- **waste-free production of finished products** through the sale of by-products from production which is not suitable for further processing into food and is reclassified for sale for feed purposes or as biodegradable waste processed in biogas plants,
- **packaging-free supply of raw materials** through the supply of strategic raw materials by tanks, which are pumped directly into silos, as well as through the supply of bulk raw materials in large-capacity packages,

- **separation and recycling** of packaging materials (plastics and paper) generated in the manufacturing sector,
- **energy performance management** regulating the consumption of electricity and gas on the Group's premises,
- **use of electricity from renewable sources**, which is secured by a Contract for the supply of electricity with ZSE Energia a.s., ,
- **strict control and minimisation of the use of chemicals** at plants.
- **use of a biological preparation containing a wide range of bacteria (10 strains of harmless bacteria genus Bacillus)** to reduce wastewater parameters – COD, BOD, ammonia, fat and other waste discharged into the sewerage system.
- **wastewater treatment plant** – the Company is working on building its own wastewater treatment plant to ensure that water released into the sewage system meets all legal requirements and thus the Company can contribute to reducing waste and pollution that could otherwise damage the environment. The plant will use efficient biological treatment processes. It is expected to enter service at the end of 2025.

During 2024, I.D.C. Holding, a.s. continued and made additional efforts to expand cooperation with suppliers focused on the use of packaging-free and high-capacity packaging in the supply of liquid and bulk strategic raw materials. The Group cooperates with suppliers, whose development of new packaging focuses on materials that improve the recyclability of packaging after use.

In 2024 the Company had an environmental audit carried out to help it identify environmental problems that could be addressed to reduce negative impacts on the environment. This environmental audit helped the company to identify risks and take advantage of opportunities for improvement and compliance with legislative and regulatory requirements.

Long-term lease of a next-generation building

In addition to our responsible approach to environmental protection that we apply in our core production process, environmental factors are also a priority with respect to the long-term lease of office space for our headquarters. When deciding on the Company headquarters, we carefully considered the sustainability factor and the green approach to the architectural and functional design of the office space. The building chosen by the Company as its headquarters has an internationally recognised “GOLD” LEED certificate.

The building has charging stations for electric vehicles, a variety of local plant species, and is the first building of its kind in Bratislava to use innovative energy-saving sanitary facilities. It uses coolants with a low global warming impact and zero impact on the ozone layer: more than 75% of the construction waste was recycled or reused and it also has a green roof.

Recycling of biodegradable municipal waste with a vermicompost

In September 2021, we launched a pilot project for the collection of biodegradable municipal waste (“BRKO”). The project aims to process biowaste with the help of special earthworms and use the resulting compost to fertilise plants in our common areas, offices and on the Company premises. We

are pleased that BRKO vermicomposting using special earthworms is very popular with the employees. In optimal conditions, these earthworms can process about half their weight.

STATEMENT ON CORPORATE GOVERNANCE

Statement on Compliance with the Principles of the Corporate Governance Code in Slovakia

Reference to the Governance Code applicable to the Company or followed by the Company in its governance

I.D.C. Holding, a.s. and the members of its bodies, committing to an overall increase in the level of *corporate governance*, adopted the Corporate Governance Code in Slovakia which forms an annex to this Statement (the “Code”) and which is published on the SACG website: <http://www.sacg.sk/>. To commit to and comply with the principles of the Code, to show how they are met and to issue the Governance Declaration according to Article 20 (6) of Act No. 431/2002 Coll. on Accounting, as amended (the “Act”), the Company submits the following Statement on Compliance with the Principles of the Corporate Governance Code in Slovakia (the “Statement” or the “Statement on Corporate Governance”):

PRINCIPLE I: SHAREHOLDER RIGHTS, EQUITABLE TREATMENT OF SHAREHOLDERS AND KEY OWNERSHIP FUNCTIONS:

A. Basic shareholder rights

i. Registration of shares

The shares of I.D.C. Holding, a.s. are book-entry securities in the Central Securities Depository of the Slovak Republic, a.s. and in accordance with the Securities Act, as amended (Article 99 et seq., in particular Article 107).

ii. The Right to transfer shares/restriction of transferability

Company shares are transferred in the manner specified in the Securities Act, as amended, and in accordance with the applicable Articles of Association. The Company’s shares are transferable without restriction.

iii. Right to timely and relevant information about the Company

The Company provides information to shareholders regularly in annual and semi-annual reports, which the Company is required to prepare by law. Company shareholders are informed about all significant changes in the Company and business activities through their participation in Company bodies, i.e. the Board of Directors, and the Supervisory Board. One of the members of the Supervisory Board, who is also the Company’s shareholder, is also regularly invited to meetings of the Company’s Board of Directors. Every shareholder of the Company has the right to request information and explanations specified by law and the Articles of Association at the General Assembly. The Company publishes the required information in accordance with the relevant legal regulations (in particular the Commercial Code, the Accounting Act, the Stock Exchange Act and the Business Register Act).

iv. Right to participate and vote at General Assemblies, restriction of voting rights

Shareholders are entitled to participate in and vote at the General Assembly in accordance with the Company’s Articles of Association and the Commercial Code without restriction of voting rights. The Company sends invitations to the General Assembly to all shareholders, regardless of the size of their shareholding and sufficiently in advance in accordance with the Company’s Articles of Association and the relevant provisions of the Commercial Code.

v. Shareholder’s right to vote and remove members of bodies

The election and removal of the members of the Company bodies are competencies of the General Assembly. All shareholders have equal rights regarding the election and removal of members of the Company's bodies.

vi. Right to a share in profits

The Company's Board of Directors duly informs all shareholders on the financial situation of the Company and its ability to pay dividends. The Company, however, does not deem it necessary that an external auditor and the members of the Audit Committee be present at the General Assembly. The proposal for the distribution of the Company's profit prepared by the Company's Board of Directors is checked by the Company's Supervisory Board, which submits its opinion to the Company's General Assembly.

Detailed information about the rights associated with shares and how they can be exercised are specified in the Articles of Association of I.D.C. Holding, a.s. The full wording of the Articles of Association is available at the Company's registered office, in the Collection of Deeds of Business Register of City Court Bratislava III and at the Bratislava Stock Exchange (Burza cenných papierov v Bratislave, a.s. – BCPB, a.s.).

B. Right to participate in decisions concerning fundamental corporate changes, and right of access to information

i. Articles of Association and other internal policies

ii. New issues

iii. Extraordinary transactions

When amending the Articles of Association, internal rules, issuing new shares, and making extraordinary transactions, the Company proceeds in accordance with the Articles of Association and the Commercial Code.

The amendment to the Company's Articles of Association is a competence of the General Assembly. A decision to amend the Company's Articles of Association requires a two-thirds majority of the votes of the shareholders present and must be recorded in a notarial deed.

The issue and approval of the issue of bonds and priority or convertible bonds is a competence of the Company's General Assembly. The General Assembly of the Company also decides on an increase of the Company's share capital.

C. Right to participate and vote at the General Assembly

1. Timely information about the General Assembly, agenda and decisions to be taken at the General Assembly

The Company provides timely information about the General Assembly and the agenda, but not on its website, but by a mailed invitation to the General Assembly to all shareholders at the registered office or residence address specified in the list of shareholders at least 30 days prior to the General Assembly, including information and documents for the General Assembly in accordance with the Articles of Association and the Commercial Code.

2. Procedures for the exercise of voting rights should not be unduly difficult or expensive:

i. Established channels for communication and decision-making with non-controlling and foreign shareholders.

The Company is a private joint-stock company that knows the identity of its shareholders and has no minority or foreign shareholders.

ii. No barriers to participation in the General Assembly (prohibition of proxy voting, voting fees, etc)

The Company has no restrictions for voting by/via a proxy and requires no fees for the voting of shareholders or their proxies. Every shareholder has the right to attend a General Assembly in person or via a proxy. A shareholder's proxy cannot be a member of the Supervisory Board unless the Commercial Code stipulates otherwise. If multiple shareholders have granted a written power of attorney to one proxy, the latter may vote for each shareholder so represented separately at the General Assembly. The General Assembly is usually convened at the registered office of the Company, i.e. General Assemblies are not held at a remote location that would make it difficult for shareholders to exercise their rights.

iii. Electronic voting in absentia, and electronic distribution of documents and reliable vote confirmation systems.

Given the current shareholder structure and the fact that the Company is a private joint-stock company, shareholders do not require the introduction of electronic voting in absentia. The supporting documents for discussions are delivered to the shareholders in writing and electronically, according to their preference.

3. Shareholders have:

i. The right to ask the Company's bodies and the external auditor questions and receive answers

Shareholders are authorised to participate in and vote at a General Assembly, to request at a General Assembly information and explanations related to the Company's matters and to matters of entities controlled by the Company, which are associated with the subject of discussion at a General Assembly, and to make proposals at a General Assembly. Shareholders have the right to question the Company's bodies and the external auditor before the General Assembly and to receive answers via the Board of Directors.

ii. The right to propose agenda items and submit draft resolutions via a clear and simple process

Shareholders have the right to propose additional items of the agenda and proposals for resolutions of a General Assembly via the Board of Directors.

4. Support for effective shareholder participation in decisions on the nomination, election and remuneration of members of Company bodies

i. Ability to participate in and vote on the nomination of members of bodies

All shareholders have equal rights and opportunities to participate in the nomination of members of the Company's bodies and to vote on individual nominees.

ii. Shareholder access to documents relating to voting at the General Assembly

All shareholders are entitled to access to documents related to voting at the General Assembly in accordance with the Commercial Code and the Company's Articles of Association. Such documents are sent to shareholders in advance before the General Assembly.

iii. Shareholders may express their opinions on the remuneration of members of Company bodies

Approval of the rules of remuneration of members of the Company bodies is fully in the competence of the General Assembly of the Company, i.e. shareholders have the right to express their opinion on the remuneration of members of the Company bodies without any restriction and to vote on them.

iv. Approval of non-financial remuneration schemes (shares, etc) by shareholders

A decision on the remuneration of members of the Company bodies and employees in the form of shares is in the competence of the General Assembly. The Company does not have in place any remuneration in the form of shares, share options or any other remuneration in the form of share acquisition rights. All shareholders would have to agree to such forms of remuneration if they were considered.

v. Disclosure of the remuneration of members of the Company bodies and senior (key) management, total paid remuneration and an explanation of the link between remuneration and company performance

The salaries of directors and remuneration for membership in Company bodies are published in the annual and interim (semi-annual) financial statements as a summary for the relevant period for individual bodies (statutory bodies, supervisory bodies and others).

The salaries of key management are linked to the fulfilment of the Company's financial plan approved by the General Assembly.

vi. Approval of material changes to the remuneration scheme by shareholders

Non-financial remuneration schemes of the Company bodies are the sole competence of the General Assembly. The Company does not currently apply this remuneration scheme.

Participation of independent members of bodies in nomination procedures.

The Company, as a private joint-stock company with a small number of shareholders, does not have independent members of bodies in nomination procedures.

Publication of CVs of candidates and information about their other positions on Company bodies

The Company's shareholders do not require the publication of candidates' CVs and information about their other positions on Company bodies, as detailed information about candidates is provided to them before the decision-making process. Given the above, the Company has not established a nomination committee.

5. Non-discriminatory voting of shareholders is permitted in absentia:

i. Voting by proxy is carried out as instructed by the holder of the power of attorney

Every shareholder has the right to participate in the General Assembly in person or by proxy in accordance with the Company's Articles of Association. The bodies of the General Assembly carefully examine the content and scope of the power of attorney and are bound by it when discussing and voting on individual items of the agenda.

ii. Disclosure of voting by proxy

If a shareholder is represented at a General Assembly based on a power of attorney, this power of attorney forms an annex to the minutes of the General Assembly, which is published in accordance with applicable laws (e.g. in the Collection of Deeds, Stock Exchange, etc).

iii. Publication of instructions for voting where a power of attorney was granted to Company bodies or management of pension funds

The Company, as a private joint-stock company with a small group of shareholders, does not apply instructions for voting at the General Assembly based on a power of attorney. Voting at the General Assembly proceeds in accordance with Articles 184 – 186 of the Commercial Code and the effective Articles of Association.

6. Non-discriminatory electronic voting (if permitted by the Company)

The Company, as a private joint-stock company with a small group of shareholders, does not use electronic voting. The shareholders prefer personal contact and agree on the proposed date of the General Assembly in advance with each other, and with the Chair of the Board of Directors.

D. Possibility of consultations between shareholders

i. Agreements between stockholders which are known and could limit the transferability of securities, or limit voting rights

The Company did not issue shares by public offering and the Company's shares have not been accepted for trading on any stock exchange market. The Company declares that, according to data available to it, there are no agreements whose conclusion is prohibited pursuant to Article 186a of the Commercial Code.

The Company is not aware of the existence of agreements between stockholders that could limit the transferability of securities, or limit voting rights.

The Company has not issued any shares with restrictions on voting rights.

ii. Holders of securities with special rights of control, and a description of such rights

The Company does not have holders of securities with special control rights.

E. Non-discriminatory treatment of shareholders and transparency of capital structures

1. Decisions on the capital structure in the competence of managing bodies, and approval by shareholders

i. All shares of a given type confer the same right

The Company has only issued ordinary shares which confer equal rights for all shareholders.

ii. Information for investors about rights conferred by shares granted before purchasing shares

The Company does not provide information to investors about the rights conferred by shares, as it is a private joint-stock company whose shares are not publicly traded.

iii. Changes to economic and voting rights approved by a qualified majority of shareholders affected by such a change

This provision does not apply to the Company's shares.

2. Disclosure of capital structures and takeover agreements

Information on the structure of share capital

The Company's share capital is divided into 4 600 registered shares with a face value of EUR 3 320 per share. The shares are not publicly tradable. Shares are transferred in the manner specified in the Securities Act, as amended, and in accordance with the effective Articles of Association.

	Description of shares
Type of security	Shares
Form	Registered
Category	Book-entry security

Method of issue	Non-public offer and registration in CDCP (Central Depository of Securities)
ISIN	SK1110015072 series 01
Face value	EUR 3,320
Number of shares	4 600
Total value of issued shares	EUR 15 272 000
Share in share capital	100.00%
Issue purpose	shares constitute share capital
Description of associated rights	Right to participate in the management, profit and liquidation balance of the Company; right to exchange a bearer share for a registered share and vice versa; right to request, at own expense, an extract from the list of shareholders (the section that concerns them); right to a share of the profit (dividend); right to participate in the General Assembly, to vote at it, to request information and explanations on the affairs of the Company and persons controlled by the Company and make proposals; other rights laid down by law and the Company's Articles of Association
Unpaid amount	Paid
Accepted/unaccepted for trading	Shares were not accepted for trading in any stock market

The Company is not aware of any information about significant agreements to which it is a party and which will enter into force, be amended or expire due to a change in its control as a result of a takeover bid.

F. Related-party transactions approved and conducted while ensuring appropriate management of conflicts of interest and protection of the Company's and shareholders' interests

1. Addressing conflicts of interest in related-party transactions

i. Establishment of an effective system for flagging related-party transactions

ii. Establishment of procedures for approving related-party transactions to minimise their negative impact

The Company has prepared internal documents that establish a procedure for monitoring and evaluating transactions with related parties, and rules for the notification and recording of related parties and transactions with related parties.

2. Members of Company bodies and senior (key) management disclose whether they have a direct or indirect interest in transactions or matters directly affecting the Company

The Company has prepared internal documents that establish a procedure for monitoring and evaluating transactions with related parties, and rules for the notification and recording of related parties and transactions with related parties.

G. Protection of minority shareholders from unfair actions by controlling shareholders, and effective redress

i. Obligation of loyalty of members of bodies to the company and to all shareholders

The members of the Company bodies treat all shareholders equally in accordance with the applicable legislation and the Company's Articles of Association. The Company has no minority shareholders.

ii. Ban on injurious trading on own account. In the event of intragroup trading - a transaction in favour of another company in the group offset by receipt of a corresponding benefit

The Company has prepared an internal document that sets up a process for pricing business relations between group companies, including prices for services provided, loans and borrowings and other matters that affect the pricing of these transactions in order to comply with arm's length principles.

iii. Buyout of shares at a fair price if the Company is delisted

The Company is a private joint-stock company, and its shares are not traded on any stock exchange or market.

H. Efficient and transparent possibilities to gain control over the Company

1. Takeovers, mergers, amalgamations, sales of substantial portions of corporate assets and other extraordinary transactions at transparent prices and under fair conditions, protecting the rights of all shareholders

The Company is a private joint-stock company and its shares are not traded on any stock exchange or market. This requirement does not apply to the Company. Significant transactions such as mergers and sales of substantial portions of assets are decided at the General Assembly in accordance with applicable laws and the Company's Articles of Association.

2. Anti-takeover measures not to be used to shield company management and bodies from accountability

The Company does not have any instruments to protect against the takeover of the Company, as it has not issued shares accepted for trading on a regulated market in the Slovak Republic or in another Member State.

3. Information about potential protection mechanisms in the Company

The Company is not aware of any information about significant agreements to which it is a party, and which will enter into force, be amended, or expire due to a change in its control as a result of a takeover bid.

The Company has not entered into any agreements with the members of its bodies or employees, based on which compensation is to be paid to them if their office or employment terminates by resignation from the office, termination by the employee, their recall, dismissal by the employer for convenience, or if their office or employment terminates due to a takeover bid.

PRINCIPLE II: SHAREHOLDER RIGHTS, EQUITABLE TREATMENT OF SHAREHOLDERS AND KEY OWNERSHIP FUNCTIONS

A. A company acting as an institutional investor in a fiduciary capacity must publish its corporate governance policy

1. The Company publishes corporate governance policies and strategies for companies in which it has ownership interests.

The Company does not act as an institutional investor.

2. The Company publishes its voting policies and strategies

The Company does not act as an institutional investor.

B. A company acting as an intermediary act in accordance with the instructions of the beneficial owner

1. An intermediary may not vote unless they have received explicit instructions to do so by a shareholder

The Company does not act as an institutional investor or an intermediary of investment services.

2. The Company places no restrictions on shareholders' right to vote directly, or via an intermediary

The Company does not act as an institutional investor or an intermediary of investment services.

3. In an announcement of the convening of a General Assembly, the Company may not disallow shareholders from voting directly or indirectly

The Company does not act as an institutional investor or an intermediary of investment services.

C. A company acting as an institutional investor must disclose potential conflicts of interest that result from its activities and how they are managed

1. The Company has internal procedures for monitoring, identifying, managing and disclosing or individually notifying conflicts of interest.

The Company does not act as an institutional investor.

D. The Company prohibits insider trading and market manipulation

1. The Company adopted internal procedures prohibiting insider trading and market manipulation by employees and the Company

The Company does not act as an institutional investor or an intermediary of investment services.

2. The Company has internal procedures for monitoring and enforcing the prohibition of insider trading and market manipulation

The Company does not act as an institutional investor or an intermediary of investment services.

E. The Company must state the applicable laws governing the exercise of rights conferred by its shares, or by other issued financial instruments if they are issued in a jurisdiction other than the jurisdiction of its registered office

The Company is an issuer of bonds issued in the state of its registered office, i.e. in the Slovak Republic. In addition, it has issued bonds via its subsidiary in the Czech Republic. The governing law is published in the terms and conditions of issue of these bonds.

None of the above requirements of PRINCIPLE II apply to the Company, as the Company does not perform the activities of an institutional investor and does not act as an intermediary of investment services.

PRINCIPLE III: ROLE OF STAKEHOLDERS IN CORPORATE GOVERNANCE

i. Importance of stakeholders for the Company

The Company encourages cooperation between stakeholders: shareholders, employees, consumers, clients, suppliers, creditors and investors. The stakeholders' interests are reflected in business, financial and investment planning.

A. Respect for the rights of stakeholders

Recognition of broader interests at the local level

Compliance with UN Guiding Principles on Business and Human Rights

Compliance with OECD Guidelines for Multinational Enterprises

The Company's business takes into account and respects the rights of stakeholders arising from legal provisions (especially labour law, commercial law, environmental law).

B. Effective protection of the rights of stakeholders

Interest groups, including individual employees, may freely report to Company management any concerns regarding illegal or unethical practices at the Company by direct contact with employee representatives (unions), by e-mail, phone, post and by using anonymous mailboxes at workplaces. Pursuant to Act No. 54/2019 Coll. on the Protection of Whistleblowers and on Amendments to Certain Acts (hereinafter the "Act"), I.D.C. Holding, a.s. issued a directive – the Internal System of Investigating Notifications Complaints in compliance with the Act. This directive regulates the internal system of recording notifications in accordance with the relevant provisions of the Act.

C. Employee Participation in Company Bodies

The Company allows the election of an employee representative to the Supervisory Board in accordance with the law.

According to the effective collective agreement, interest groups (unions) have the right to access regular, timely, relevant, sufficient, and reliable information.

i. Ensuring the independence of company management from the management of pension funds

This point does not apply to the Company and is not applicable given the Company's activities.

D. Right to access information

The Company provides regular access to information for stakeholders, to the extent appropriate to the interests and position of the particular stakeholder. Members of the Company bodies and key management have access to all Company information.

E. The "comply or explain" principle

i. Publication of the Statement in the annual report

The Company annually publishes the Statement in the Company's Annual Report.

ii. Disclosure of deviations from the recommendations of the Code

Deviations from the recommendations of the Code are disclosed in this Statement with an explanation.

F. Stakeholder control and appeal mechanisms

i. Ensuring the integrity of Company officials

Interest groups, including individual employees, may freely report to Company management any concerns regarding illegal or unethical practices at the Company by direct contact with employee representatives (unions), by e-mail, phone, post and by using anonymous mailboxes at workplaces. Pursuant to Act No. 54/2019 Coll. on the Protection of Whistleblowers and on Amendments to Certain Acts (hereinafter the "Act"), I.D.C. Holding, a.s. issued a directive – the Internal System of Investigating Notifications in compliance with the Act. This directive regulates the internal system of recording notifications in accordance with the relevant provisions of the Act.

The Company guarantees anonymity and protection of whistle-blowers and impartial investigation of any notifications.

G. Protection of creditors

i. Acting in the interest of creditors in the event of credit risk

The basic framework of corporate governance is established by law and the protection of the rights of individual creditors (especially financial institutions) is addressed by specific contracts. The Company bodies and key managers are required to comply with the applicable legislation and internal regulations of the Company and may not prefer particular creditors.

PRINCIPLE IV: DISCLOSURE AND TRANSPARENCY

A. Minimum disclosure requirements

1. Audited financial statements showing the Company's financial performance and financial position

The Company prepares its financial statements in accordance with International Financial Reporting Standards as adopted by the EU and discloses them in accordance with applicable law (Commercial Code, Accounting Act, Stock Exchange Act, Regulated Free Stock Exchange Market Rules). The financial statements are audited in accordance with the Statutory Audit Act. The audited financial statements and annual report are also disclosed in the register of financial statements and on the Company's website. The annual report includes the annual audited financial statements.

2. Company objectives and non-financial information, including business ethics, and environmental and other commitments

I.D.C. Holding, a.s. publishes in the Annual Report its broader goals and strategic plans relating, in particular, to trade and marketing, investment, innovation and production, IT, economics and financial policy, human resources and other Company commitments.

3. Structure of equity, including qualifying holding and special control

i. Information about the owners of the Company, persons with a qualifying holding and persons with special control rights and the extent of their voting rights

One shareholder had at least a 10% direct share in I.D.C. Holding, a.s. as at 31 December 2024: FINHOLD s.r.o. with a 100% share in the share capital. The shareholder had a 100% share in Company voting rights. The Company does not have holders of shares with special control rights.

Information on the structure of share capital

For more information see PRINCIPLE I: SHAREHOLDER RIGHTS, EQUITABLE TREATMENT OF SHAREHOLDERS AND KEY OWNERSHIP FUNCTIONS, Part E. Non-discriminatory treatment of shareholders and transparency of capital structures, Section 2. Disclosure of capital structures and takeover agreements.

Qualified participation in the share capital according to a special regulation

Qualified participation of I.D.C. Holding, a.s. in the share capital of other companies as at 31 December 2024:

Company	Country of establishment	Ownership interest in % (direct/indirect) as of 31 December 2024	Voting rights in % as of 31 December 2024	Area of activities
I.D.C. Praha, a.s.	Czech Republic	100.00	100.00	Trade
I.D.C. POLONIA S.A.	Poland	100.00	100.00	Trade
I.D.C. HUNGÁRIA Zrt.	Hungary	100.00	100.00	Trade

ii. Information about ultimate beneficial owners and their voting rights

I.D.C. Holding, a.s. is a private joint-stock company, which is not required to register in the register of public sector partners pursuant to Act No. 315/2016 Coll., Act on the Register of Public Sector Partners and on Amendments to Certain Acts, as amended, pursuant to which disclosure of the identification of the ultimate beneficiary would be required.

In the period for which this Statement to the Code is given, i.e. for 2024, I.D.C. Holding, a.s. had a direct legal obligation to identify and register its ultimate beneficiaries under Act No. 297/2008 Coll. on Protection Against Legalisation of the Proceeds from Criminal Activities and Protection Against Terrorist Financing, as amended, and under Act No. 530/2003 Coll. on the Business Register, as amended. The Company became obliged to register its ultimate beneficiaries as at 31 December 2019, and the Company met this obligation in accordance with the above legislation in a due and timely manner.

4. Information about remuneration at the Company**i. Information about remuneration of members of the Board of Directors, Supervisory Board and executive (key) management**

The General Assembly approves the rules of remuneration of Company body members. Remuneration of key management and remuneration rules for other employees are approved by the CEO, who is also the Chair of the Board of Directors.

The Company does not have in place any remuneration in the form of shares, share options or any other remuneration in the form of share acquisition rights. All shareholders would have to agree to such forms of remuneration if they were considered.

Members of the Company bodies are entitled to regular fixed remuneration based on their contracts for office approved by the General Assembly. Remuneration is paid monthly to members of the Board of Directors and of the Supervisory Board. The Company decided not to disclose individual amounts of remuneration. The total remuneration paid for the performance of offices to all Company bodies is disclosed in the notes to the financial statements.

Key management employees are remunerated on the basis of their individual salary agreement.

ii. Remuneration plan for the following year(s) with information about remuneration in the previous year

Remuneration of key management is agreed on an individual basis taking into account the internal remuneration system. Salaries are usually reviewed once a year and the variable component of salary is determined depending on the specific position. This is related to the amount of the variable component of salary and set measurable indicators. Managers' variable component of salary is tied to one or two Company indicators and other indicators taking into account the area under their management and responsibility.

iii. Information on variable and non-variable components of bonuses, deferral and clawback conditions, and the links between bonuses and Company objectives and performance

Key management has no fixed bonuses. Bonuses are usually paid in the same way as for other employees, i.e. twice a year, depending on the fulfilment of the Company's economic indicators. The bonuses for individual managers are set by the CEO, based on the year-round fulfilment of objectives for the managed organisational unit and the fulfilment of the agreed economic indicators.

5. Information about members of Company bodies and executive (key) management**i. Information about qualifications and experience****Board of directors**

The Board of Directors is the statutory and executive body of the Company that manages the Company and acts in its name. The Board of Directors consists of three members elected by the General Assembly for a five-year term. During an election of the members of the Board of Directors, the General Assembly appoints the Chair and may appoint the Vice-Chair of the Board of Directors from the members of the Board of Directors. The members of the Board of Directors are:

To 14 March 2024:

Name and surname	Function	Year of election	Permanent address
Ing. Roman Ježo	Chairman	2021	Pod Húštikom 617/16, 018 51 Nová Dubnica
Paulína Jakubec	Member	2021	Landererova 7743/6, 811 09 Bratislava – Staré mesto
RNDr. Ing. Marcel Imrišek	Member	2022	Gajarská 8489/4, 841 04 Bratislava – Záhorská Bystrica

From 21 March 2024:

Forename and surname	Function	Year of election	Permanent address
Paulína Jakubec	Chairman	2021	Landererova 7743/6, 811 09 Bratislava – Staré mesto
Ing. Jana Račková, PhD.	Member	2024	Ul. J. Bottu 185/6, 934 01 Levice

RNDr. Ing. Marcel Imrišek	Member	2022	Gajarská 8489/4, 841 04 Bratislava – Záhorská Bystrica
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Ing. Roman Ježo graduated from the Faculty of Mechanical Engineering of the Czech Technical University in Prague in 1991. In 1995, he co-founded VACLAV & JEŽO, s.r.o. where he worked as an executive and director. After the Company's transformation into a joint-stock company in 2000, he became the Chair of the Board of Directors, setting the strategy and production, economic, business and personnel processes. After the merger of the company with I.D.C. Holding, a.s. as at 1 January 2016, he was appointed Director of the Production Division of I.D.C. Holding, a.s. He oversaw production processes at all of the Company plants. On 11 August 2021, he was appointed Chair of the Board of Directors and, with effect from 1 September 2021, as the Company's CEO. He is in charge of management, planning, organisation and control of the overall activities in connection with the implementation of the approved Company strategy. Ing. Roman Ježo is a member of the Supervisory Board of Coin, a.s. and GROSER a.s., and an executive of VERAX, s.r.o. Ing. Roman Ježo resigned from the Board of Directors on 14 March 2024.

Ing. Račková Jana, PhD. graduated from the Slovak University of Agriculture in Nitra, Faculty of Biotechnology and Food Sciences in 2006. She continued her education in the doctoral study programme Food Technology, which she defended with her dissertation in 2012.

Her previous work experience is related to production and management of operations within the food segment. She started working at I.D.C. Holding, a.s. on 1 February 2023 as the Director of the Production Division. She is responsible for creating and fulfilling the Company's strategy in the area of production. Her job responsibilities include managing and planning all production processes of manufactured products, and also managing non-production activities associated with production preparation, new product development, quality of manufactured products as well as compliance with hygiene regimes and food safety measures. As part of her agenda, she is also responsible for the management of the technical department and investment projects of the Company.

She is responsible for the smoothness and efficiency of the production process, for the fulfilment of the production plan, compliance with the financial budget, compliance with technological discipline, the quality of the produced production, increasing labour productivity, new product development, management and implementation of investments in accordance with the corporate strategy. On 21 March 2024, she was elected as a member of the Company's Board of Directors.

Paulína Jakubec studied history and political science and obtained a master's degree in international development at the London School of Economics. She also holds a Managerial Finance Certificate from the London School of Economics and is currently studying at Oxford University for a degree in financial strategy.

Paulína Jakubec is a former consultant specialising in public affairs and finance for corporate clients of the Financial Conduct Authority and the Payment Systems Regulator in the United Kingdom. On 11 August 2021, she was appointed a member of the Board of Directors and on 21 March 2024 she was appointed as the Chairman of the Company's Board of Directors. Paulína Jakubec is also a member of the Board of Directors of VEGUM a.s.

RNDr. Ing. Marcel Imrišek studied economic and financial mathematics at the Faculty of Mathematics and Physics of Comenius University in Bratislava, international business at the University of Economics in Bratislava and holds a CFA certification. He has worked in business consulting, and mergers and acquisitions for more than twenty years. Prior to founding ProRate, he worked as a senior analyst and project manager at Navigator Finance. He has worked on a number of M&A transactions and their

financing, as well as on a number of strategic planning and financial modeling projects in various industries. On 11 August 2021, he was appointed as a member of the Company's Supervisory Board. RNDr. Ing. Marcel Imrišek is also the managing director of ProRate s.r.o.

All members of the Company's Board of Directors are professionally qualified for their offices and none of them have been convicted of a property crime.

Supervisory Board:

The Supervisory Board is the Company's control body that oversees the activities of the Board of Directors and the Company's business activities. The Supervisory Board has three members who are elected for a period of five years. Two thirds of the members of the Supervisory Board are elected and removed by the General Assembly and one third by company employees if the company has more than 50 full-time employees at the time of the election. The Articles of Association may specify a higher number of members of the Supervisory Board elected by the employees, but this number may not exceed the number of members elected by the General Assembly. They may also determine that employees elect some of the members of the Supervisory Board even if there is a smaller number of employees of the Company. Only a person employed by the Company may be a member of the Supervisory Board elected by employees unless the Commercial Code lays down otherwise. The members of the Supervisory Board elect the Chair. The Supervisory Board decides by a majority vote of all its members.

Members of the Supervisory Board:

Name and surname	Function	Year of election	Permanent address
Ing. arch. Pavol Jakubec	chairman	2021	Landererova 7743/6, 811 09 Bratislava- Staré mesto
Mária Chatrnúchová	member	from 01 July 2023	Dlhá 1976/5, 926 01 Sereď
Ing. Matej Bošňák	member	2022	Kmeťová 2151/13, 900 28 Ivanka pri Dunaji

All members of the Company's Supervisory Board are professionally qualified for their offices and none of them has been convicted of a property crime.

Ing. arch. Pavol Jakubec graduated from the Faculty of Architecture of the Slovak University of Technology in Bratislava in 1983. From 1983 to 1990, he worked as a project architect. He was a director of Central European Development Slovensko Ltd. from 1990 to 1992. Between 1994 and 1999, he was an executive of Interhotely Slovakia Bratislava. From 1997 to 1998, he served as Chair of the Board of Directors of I.D.C. Holding, a.s., and was the Vice-Chair of the Board of Directors from 1998 to 11 August 2021. On 11 August 2021, he was appointed Chair of the Supervisory Board. Ing. arch. Pavol Jakubec is also a member of the Supervisory board of VEGUM a.s., managing director of DAMIAN JASNA, s.r.o., and managing director of I.D.C. s.r.o.

Mária Chatrnúchová graduated from the Secondary School of Economics in Sereď in 1985. She joined I.D.C. Holding, a.s. on 1 December 2001 as the Head of the Information System Department, reporting to the Economic Director. As the Head of the Information System Department, she is responsible for the accounting of all accounting documents, prepares monthly, interim and annual individual financial statements, and is responsible for the complete accounting agenda of the Company. Every year, she is appointed as Chair of the Central Stocktaking Committee. On 11 June 2020, the General Assembly of

I.D.C. Holding, a.s. elected her as a member of the Audit Committee. Since 1 July 2023, she has been working as a member of the Company's Supervisory Board, elected by the employees.

Ing. Matej Bošňák began his career in IT after graduating in technical cybernetics at the University of Žilina in 1993. In 1994, he joined the advisory firm Coopers & Lybrand (later PwC) as a Junior Audit Consultant. In 2004, he transferred to Ernst & Young (EY) as Senior Manager, becoming Audit Partner in 2006. During a sabbatical from 2011 to 2013, he worked as a lecturer in accounting, audit and controlling for the Slovak branch of the UK educational institution, BPP. After returning to EY in 2014, he became Country Managing Partner focusing on transaction advisory until June 2020, when he left the consulting firm. From January 2021 to October 2022, he was CFO of the Slovak National Theatre. On 1 September 2022, he was appointed as a member of the Company's Supervisory Board. Ing. Matej Bošňák also serves as the chair of the Supervisory Board of ESET, spol. s r.o. and a member of the Supervisory Board of Československá obchodná banka, a.s.

The Company declares that it is not aware of any conflicts of interest of members of the Board of Directors, members of the Supervisory Board with respect to their obligations to the Company and their private interests, or other obligations.

According to the applicable Organisational Rules of the Company, the key management of the Company consists of the CEO and division directors, which are:

Ing. Roman Ježo, CEO (until 14 March 2024)

Ing. Marek Gombita, Director of the Finance and Economics Division (from 19 March 2024)

Ing. Ľubica Kucserová, Director of the Trade Division

Ing. Jana Račková, Director of the Production Division

For the first key management member mentioned above, information on qualifications and experience is provided above in this point.

Ing. Marek Gombita graduated from the University of Economics in Bratislava, Faculty of Business Management, in 1998. He joined I.D.C. Holding, a.s. on 1 July 1999 as a capital market specialist in the Capital Market Department. In 2003, he became the head of the Capital Market and Credit Management Department. He focused on receivables management, cash flow management, currency risk management, securities trading and bond issues. On 1 April 2007, he was appointed a financial director and managed the Company's finance and information technology. On 1 January 2017, he was appointed a director of the Financial and Economic Division. He managed the Company financially and economically and was responsible for the creation, processing and evaluation of financial and economic activities. On 31 December 2019, he terminated his employment with I.D.C. Holding, a.s. He re-joined I.D.C. Holding, a.s. in August 2021. On 11 August 2021, he was appointed a member of the Board of Directors and, with effect from 1 September 2021, as the Director of the Finance and Economics Division. He was recalled from the position of a member of the Board of Directors on 31 August 2022. His original position and responsibility for finance and economics was extended to include human resources management and strategy. Ing. Marek Gombita is a member of the Supervisory Board of Coin, a.s., GROSER a.s. EC&Solutions a.s., and an executive of EMGE CONSULT s.r.o.

Ing. Ľubica Kucserová graduated from the Slovak University of Technology in Bratislava, Faculty of Chemical and Food Technology, from which she graduated in 1993. She joined I.D.C. Holding, a. s. in October 2020 as Purchasing Manager. As of 1 September 2021, she was appointed to the position of Director of Purchasing Marketing. In her work activities, she was engaged in managing the purchasing

marketing team, managing the processes of purchasing strategic raw materials and packaging material. She was responsible for selecting suppliers and negotiating business terms.

She became Director of the Sales Division on 1 January 2023. She is responsible for the management of the following departments - Sales and Marketing Director for Slovakia, Purchasing Director, and Logistics and Transport Director, and the subsidiaries in the Czech Republic, Hungary and Poland. She is responsible for the preparation and implementation of the new SAP information system, for the Company's marketing strategy and for negotiating and concluding business terms and conditions and contractual relations with business partners.

Ing. Račková Jana, PhD. graduated from the Slovak University of Agriculture in Nitra, Faculty of Biotechnology and Food Sciences in 2006. She continued her education in the doctoral study programme Food Technology, which she defended with her dissertation in 2012.

Her previous work experience is related to production and management of operations within the food segment. She started working at I.D.C. Holding, a.s. on 1 February 2023 as the Director of the Production Division. She is responsible for creating and fulfilling the Company's strategy in the area of production. Her job responsibilities include managing and planning all production processes of manufactured products, and also managing non-production activities associated with production preparation, new product development, quality of manufactured products as well as compliance with hygiene regimes and food safety measures. As part of her agenda, she is also responsible for the management of the technical department and investment projects of the Company.

She is responsible for the smoothness and efficiency of the production process, for the fulfilment of the production plan, compliance with the financial budget, compliance with technological discipline, the quality of the produced production, increasing labour productivity, new product development, management and implementation of investments in accordance with the corporate strategy.

ii. Information about the selection process

The entire selection process takes place according to pre-agreed selection rules. The main selection criteria include expertise, managerial skills, loyalty to the Company, identification with the corporate culture, sharing the Company values. All these criteria are verified at the Company, as only managers from lower positions who have demonstrated their abilities by their previous results, are appointed as members of key management and Company bodies.

iii. Information about the ownership of shares or other financial instruments issued by the Company, or options to purchase such financial instruments

As of 31 December 2024, the Chair of the Supervisory Board, **Ing. arch. Pavol Jakubec** was also the Managing Director and sole shareholder of FINHOLD s.r.o., which owned

4 600 shares in the company, i.e. it had a 100%-share in the Company's share capital.

No member of the Company body or key management owns options for the Company shares.

iv. Membership of other company boards or holding executive functions in other companies

Information on membership pursuant to this paragraph are specified in (i) of this paragraph (5).

v. Information on whether such a member of a company body or executive (key) management of a company is considered independent

Ing. Matej Bošňák, a member of the Supervisory Board, is considered independent, as he is not personally related to the Company and at the same time is not employed by the Company. Other members of the Company bodies are dependent, as they are also employed by the Company.

6. Related-party transactions

i. Information about related-party transactions, including their materiality and conditions

Transactions between the Company and the related parties are made on an arm's length basis and at market prices. The Company complies with Article 59a of the Commercial Code.

ii. Information about transactions with related parties are disclosed on an ongoing basis, with the exception of recurring transactions on market terms disclosed in periodic reports

The information is regularly published in the interim and annual separate financial statements.

7. Risk factors

i. Information about foreseeable risks specific to the Company's business

Risk factors related to the Company's business activities are stated in the Security Prospectus for each new bond issued by a public offering.

ii. Information about foreseeable risks specific to the geographical areas in which the Company operates, dependence on commodities, raw materials, on customers and clients; financial market risks, especially interest rate or currency risk; risks related to derivatives and off-balance sheet transactions; business strategy risks; and environmental risks

The information on foreseeable risks is stated in the Security Prospectus for each new bond issue by a public offering and in the notes to the Company's financial statements.

8. Issues regarding employees and other Company stakeholders

The Company has two trade unions which undertake collective bargaining. One member of the Supervisory Board is elected by the employees.

9. Structure and activities of Company bodies and corporate governance strategy

i. Information on the internal structure and activities of Company bodies

The Company bodies are the General Assembly, the Board of Directors, the Supervisory Board.

General Assembly

The General Assembly is the supreme Company body. It is a collective body comprising all the shareholders. The General Assembly is held at least once a year in accordance with applicable laws. The competencies of the General Assembly include: amending the Articles of Association, increasing or decreasing the share capital, authorising the Board of Directors to increase share capital pursuant to Article 210 of the Commercial Code and these Articles of Association and issuing priority bonds or convertible bonds, election and removal of members of the Board of Directors and Supervisory Board, approval of the annual separate financial statements and extraordinary separate financial statements, decisions on profit distribution or settlement of losses and determination of royalties, decisions on dissolution and liquidation of the Company, decisions on conversion of shares issued as book-entry securities into paper securities and vice versa and decisions to change the form of shares, decisions on Company dissolution and change of legal form, establishment of the Company's funds and setting the rules for their creation and use, approval of the rules for remuneration of members of the Company bodies, appointment and removal of the Company's CEO, appointment of Company liquidator, approval of participation in the business of other legal entities, approval of the assumption of a guarantee or foreign liabilities for third parties if they are not related to the company, approval of encumbrances of Company real estate, approval of contracts on the transfer of business or transfer of a part of the business, appointment and removal of members of the Audit Committee, approval and

removal of the Company's auditor, decision on other issues that are competencies of the General Assembly by law or under these Articles of Association, issuing bonds, bills of exchange and assuming guarantees for third parties, approving the annual plan, including the financial and investment plan.

Detailed information about the activities of the General Assembly and its powers are specified in the Articles of Association of I.D.C. Holding, a.s. The full Articles of Association are available at the Company's registered office, in the Collection of Deeds of Business Register of District Court of Bratislava III and at the Bratislava Stock Exchange (Burza cenných papierov v Bratislave, a.s. – BCPB, a.s.).

During the reporting period, the General Assembly was convened three times. The first Annual General Assembly of Shareholders was held on 14 February 2024. This General Assembly approved the Group's consolidated business plan and the individual plan for 2024. The second General Assembly on 21 March 2024 elected a new member and chairman of the Board of directors (after the resignation of the member and chairman of the Board of Directors, Ing. Ježo). At the third General Assembly held on 14 May 2024, the Supervisory Board's opinion on the review of the annual separate financial statements for 2023 and the opinion on the proposal for profit distribution for 2023 were discussed, furthermore the consolidated annual report on business results for 2023, the annual separate financial statements for 2023 and the proposal for profit distribution for 2023 were approved. *Board of directors*

The Board of Directors consists of three members elected by the General Assembly for a five-year term. Re-election is possible. During the election of the members of the Board of Directors, the General Assembly determines which member of the Board of Directors will be the Chair and Vice-Chair of the Board of Directors. The term of office of a member of the Board of Directors may end as follows: resignation, removal, death, expiry of the term (unless re-elected), and the General Assembly must elect a new member to replace the original member within 3 months. Removal from office is effective upon a decision of the General Assembly.

Activities of the Board of Directors

The Board of Directors is the statutory and executive body of the Company that acts for the Company in the manner specified in the Company's Articles of Association. The Board of Directors decides on all Company matters, unless they are reserved by law or the Articles of Association for the General Assembly or the Supervisory Board.

The Chair of the Board of Directors, who is also the CEO, manages the Company's day-to-day operations in accordance with the powers conferred on the CEO by the Company's internal regulations. Where necessary, the Chair of the Board of Directors is authorised to make decisions that otherwise pertain to the Board of Directors. These decisions must be submitted by the Chair to the Board of Directors for approval at its next meeting.

Meetings of the Board of Directors are held quarterly (regular meetings), or when necessary (extraordinary meetings). Meetings are convened by the Chair of the Board of Directors, usually at the Company's registered office.

Minutes signed by the Chair of the Board of Directors by one verifier and a minutes clerk are prepared of a meeting of the Board of Directors including its decisions.

If approved by all members of the Board of Directors, the Board of Directors may make a decision, at the Chair's suggestion, outside its meeting (per rollam decision) by voting in writing or e-mail voting (scan of a signed document), or by telex or fax, in a way that does not raise doubts about the declared

will of the voter. In such an event, the resolution must be adopted by all members of the Board of Directors. Any resolution adopted outside a meeting of the Board of Directors must be recorded in the minutes of the next Board of Directors' meeting.

The Board of Directors is quorate if an absolute majority of its members is present.

If a member of the Board of Directors is unable to attend a meeting, they may validly express their opinion on the issue under discussion, with which they were acquainted, in writing by a signed letter which does not raise doubts about their will. A member of the Board of Directors who has validly expressed their opinion on the issue under discussion in accordance with the first sentence of this paragraph will be considered as present in accordance with the preceding paragraph. A written statement of a member of the Board of Directors pursuant to the first sentence of this paragraph, who was not present at the meeting of the Board of Directors, must be attached to the minutes of the meeting of the Board of Directors.

In addition to other tasks stipulated by law and the Articles of Association, the Board of Directors should in particular: ensure proper bookkeeping of the Company, submit to the General Assembly for approval annual separate financial statements and extraordinary separate financial statements with a proposal for profit distribution or settlement, and submit to the General Assembly an annual report prepared in accordance with a special regulation with the separate financial statements or extraordinary separate financial statements. By the deadlines in the Articles of Association, and at least once a year, as part of the annual report, the Board of Directors submits to the General Assembly for discussion a report on the Company's business activities and balance of assets, prepares minutes of the General Assembly within ten days of the General Assembly and submits motions for changes in the facts recorded in the Business Register within the statutory period, and submits the documents required by law to the collection of deeds kept by the Business Register, submits information to the Supervisory Board in writing pursuant to Article 193 of the Commercial Code, submits to the General Assembly proposals for approval or removal of the Company's auditor, makes changes in the list of shareholders in accordance with the effective Articles of Association and the following rules approved by the Board of Directors: the list of shareholders is kept by the Chair of the Board of Directors and the Chair of the Board of Directors is authorised and obliged to make changes to the list of shareholders notified to the Company; the Chair of the Board of Directors informs other members of the Board of Directors of a change to the list of shareholders without undue delay and the approval of the changes in the list of shareholders must be discussed at the next meeting of the Board of Directors. By a request addressed to the Chair of the Board of Directors, each member of the Board of Directors is entitled to inspect the documents based on which the list of shareholders of the Company was changed, even before the next meeting of the Board of Directors. If the Chair of the Board of Directors is absent for more than one week, other members of the Board of Directors are entitled and obliged to make changes to the list of shareholders in accordance with the procedure recorded in the Business Register of the relevant court and in accordance with the decision of the Board of Directors. The Board of Directors acts in accordance with the approved annual plan, including the financial and investment plan.

In the event of a decision on the sale of non-current tangible and intangible assets in the amount of more than EUR 200 000, the Board of Directors is obliged to request the prior approval of the Supervisory Board for its decision. The Board of Directors is also obliged to request the prior approval of the Supervisory Board if the total cost of services increases by more than EUR 200 000 compared to the approved financial plan. Moreover, the Board of Directors is obliged to request the prior approval of the Supervisory Board (i) if there is a proposal for a new investment project amounting to more than EUR 100 000, (ii) if there is an increase in the expenses for an investment project compared to the

approved investment plan of more than 10% and if the increase is higher than EUR 100 000, and (iii) if the approved investment plan is likely to be exceeded.

The Board of Directors does not have direct authority to decide on the issue of shares or the repurchase of shares. Pursuant to the effective Articles of Association of the Company, the right to decide on an increase of the share capital or the authorisation of the Board of Directors to increase the share capital pursuant to Article 210 of the Commercial Code, as amended, is an exclusive competence of the General Assembly of the Company.

During the reporting period, the Company's Board of Directors discussed and approved the Company's financial plan including the Group consolidation plan for 2024 at its meetings, approved the separate financial statements for 2023, including the proposal for profit distribution for 2023, discussed the Management Review of the Quality Management System 2023, and Trademark Status Report 2023.

The Company has no committees of the Board of Directors.

Supervisory Board:

The Company's Supervisory Board supervises the performance of the powers of the Board of Directors and the Company's business activities. The competencies of the Supervisory Board or its members regulated by law and the effective Articles of Association primarily include: to inspect all documents and records relating to the Company's activities, to check that the Company's bookkeeping is correct and accurate, to check that the Company's business activities are carried out in accordance with applicable legislation, the Articles of Association and the General Assembly's instructions, to review the annual financial statements and the proposal for profit distribution prepared by the Board of Directors and to submit its opinion to the General Assembly, to participate in the General Assembly and to inform the General Assembly about the results of its control activities, to convene the General Assembly under the conditions set out in the Articles of Association, to represent the Company in relation to members of the Board of Directors before the courts or other authorities, to approve the financial and investment plan, and to approve decisions of the Board of Directors under Article 23(2) of the Company's Articles of Association, monitor the process of preparing the Company's financial statements, compliance with special regulations, and submit recommendations and proposals to ensure the integrity of this process to the General Assembly, monitor the effectiveness of internal control, internal audit and risk management systems in the Company, monitor the progress and results of the statutory audit of separate financial statements and statutory audit of consolidated financial statements, verify and monitor the independence of the statutory auditor or audit firm pursuant to Sections 21, 24 and 25 of the Statutory Audit Act, in particular the suitability of providing non-audit services in accordance with applicable regulations and services provided by a statutory auditor or audit firm pursuant to Section 33(1) of the Statutory Audit Act, bear responsibility for the selection procedure of a statutory auditor or audit firm and recommend the appointment of a statutory auditor or audit firm for approval to perform statutory audit for the Company in accordance with applicable regulations, set a deadline for the statutory auditor or audit firm to submit a declaration of independence, inform the Board of Directors of the Company of the outcome of the statutory audit and explain how the statutory audit of the financial statements has contributed to the integrity of the Company.

The Supervisory Board must have at least three members. Two thirds of the members of the Supervisory Board are elected and removed by the General Assembly and one third by company employees if the company has more than 50 full-time employees at the time of the election. The Articles of Association may specify a higher number of members of the Supervisory Board elected by the employees, but this number may not exceed the number of members elected by the General

Assembly. They may also determine that employees elect some of the members of the Supervisory Board even if there is a smaller number of employees of the Company. Only a person employed by the Company may be a member of the Supervisory Board elected by employees unless the Commercial Code lays down otherwise. The members of the Supervisory Board elect the Chair. The members of the Supervisory Board are elected for a term of five years.

Meetings of the Supervisory Board are held as necessary, and at least twice a year. They are convened by the Chair of the Supervisory Board, usually at the Company's registered office.

ii. Information about governance strategy, including the Company's Code of Conduct and how it is implemented

The Company adopted the Corporate Governance Code in Slovakia. The Code is published at: www.sacg.sk. The Company submits the following Statement regarding the Code. It discloses the composition and activities of the Company bodies in annual and semi-annual financial reports and on its website.

Management methods at the Company are elaborated in the Organisational Rules, which is a statutory directive of I.D.C. Holding, a.s. and it enshrines the fundamentals of business activity, management principles, organisational structure, division of tasks of individual levels of management and organisational chart.

These organisational rules are binding for all organisational units and employees of the Company and have been approved by the Director of the Human Resources Division.

Change management of the Organisational Rules is performed according to the Documentation and Data Management directive, which belongs to the management processes of the implemented quality management system. The quality management system also governs risk management and internal control of the Company with the help of prepared directives and work procedures. The above Company documents are internal and are only accessible on the Company's Intranet to selected employees of the Company.

Internal audit is regularly performed at the Company to check compliance with internal rules and management systems. The Company has certified quality management systems in place in accordance with the BRC (Global Standard for Food Safety) and IFS (International Food Standard), which are subject to audit and review the internal control system.

Key Systems of Internal Control and Risk Management in Relation to the Financial Statements

The system of internal control and risk management in relation to the financial statements in I.D.C. Holding, a.s. consists of interconnected internal Company directives and work procedures which address the competencies of individual organisational units. The company I.D.C. has in place the "Risk Management and Internal Control System" directive, which identifies the most important risks in accounting, finance, occupational health and safety and fire protection, information technology, contracting, intellectual property, property protection and business and production.

The procedures and rules incorporated in the above internal directive aim to eliminate the identified risks and to ensure compliance with laws and other generally binding legal regulations related to financial statements.

The Directive is reviewed regularly to identify new risks.

Subsidiary entities have their own rules to ensure the integrity of the accounting system, including independent audit and risk management system in accordance with the legislation of the respective country.

The integrity of the accounting system is ensured by coordinating work in connection with the preparation and subsequent reporting of separate financial statements of subsidiaries in consolidated financial statements prepared by the parent company.

iii. Information about the division of authority between Company bodies and senior (key) management

The division of authority between Company bodies and key management members is described in the Organisational Rules.

B. Information is disclosed in accordance with the applicable requirements and standards of accounting, financial and non-financial reporting

The Company prepares its financial statements in accordance with International Financial Reporting Standards as adopted by the EU and discloses them in accordance with applicable law (Commercial Code, Accounting Act, Stock Exchange Act, Regulated Free Stock Exchange Market Rules). The financial statements are also disclosed in the register of financial statements and on the Company's website.

C. Audit of the Company is conducted by an independent, competent and qualified audit firm

i. The Company does not have an audit committee in place to oversee the conduct of internal and external audits

The Company does not have an established audit committee, its function is performed by the Supervisory Board of the Company. The composition, competencies and activities of the Supervisory Board are detailed in this Statement of Governance with respect to the Code (Principle IV: DISCLOSURE AND TRANSPARENCY, Section 9 – Structure and activities of Company bodies and corporate governance strategy, paragraph (i)).

ii. The Company has in place rules to minimise conflicts of interest during external audit

The auditor performing external audit of the Company does not provide other non-audit services to the Company. The external audit is entrusted to a renowned international audit company (BDO Audit, spol. s r.o.).

D. External auditor reports directly to the shareholders

The audit selection process is the responsibility of the Audit Committee, which also recommends the appointment of a statutory auditor for approval to the Company's Board of Directors. Based on the recommendation of the Audit Committee, the Board of Directors submits to the General Assembly for approval the Company's auditor. The Company's auditor is approved and removed by the Company's General Assembly.

E. The Company provides shareholders and other stakeholders with equal and non-discriminatory access to relevant information

i. Access to relevant information about the Company does not require compliance with unjustified administrative or financial conditions

The Company does not create any administrative or financial barriers for stakeholders when obtaining relevant information.

ii. The relevant information is disclosed on a regular basis and on an ad hoc basis in serious circumstances

All shareholders have equal access to information (via Hospodárske noviny, the Bratislava Stock Exchange, the Commercial Journal, the National Bank of Slovakia, the Business Register, the register of financial statements, the Company's website, the Commercial Code and the Company's Articles of Association).

PRINCIPLE V: RESPONSIBILITIES OF COMPANY BODIES

A. Actions of board members on a fully informed basis, in the interest of the Company and the shareholders

i. Members of Company bodies act with professional care

The members of the Company bodies act with due care. They obtain and take into account all available information about the subject of a decision.

ii. Members of Company bodies act with an obligation of loyalty to the Company and all shareholders

The members of the Company bodies act in accordance with the interests of the Company and all its shareholders. When acting, they must not prefer their interests or the interests of certain shareholders or the interests of third parties ahead of the interests of the Company.

iii. Members of Company bodies may not disclose confidential information, which could damage the Company or its shareholders

The members of the Company bodies maintain the confidentiality of confidential information whose disclosure to third parties could harm the Company, endanger its interests or the interests of shareholders. The members of the Company's bodies are required to maintain confidentiality of confidential information in accordance with the relevant legislation and the valid Articles of Association of the Company.

iv. Members of the Company's supervisory bodies do not participate in day-to-day Company management

The Chairman of the Supervisory Board and one member of the Supervisory Board are involved in the day-to-day management of the Company and one member of the Supervisory Board is not involved in the day-to-day management of the Company.

B. Where decisions of Company bodies may affect different shareholder groups differently, Company bodies must treat all shareholders fairly

In 2023, the Company has not issued any decisions that would have different impacts on individual shareholders.

C. Application of ethical standards

i. The Code of Ethics applies across the Company

The Company adopted the Code of Ethics, which can be viewed on the Company's website: www.idcholding.com. In addition to the Code of Ethics, it also has an extensive internal policy governing the Company's corporate culture, which is binding on all employees of the Company. The Company pays due attention to compliance with ethical and Company values contained in the above documents.

ii. There are clear criteria in the Code of Ethics regarding potential conflicts of interest, including trading in Company shares

Given that the Company is a private joint-stock company with a small group of shareholders, it does not regulate the above criteria addressing possible conflicts of interest, including trading in shares, in its Code of Ethics.

iii. Discouragement from practices that do not contribute to the long-term interests of the Company and its shareholders and could create legal and reputational risks (i.e. aggressive tax avoidance)

The Company pays due attention to adhering to the ethical and corporate values stated in the Code of Ethics and in the internal policy on corporate culture.

iv. Company bodies have adopted their own ethical standards and guarantee their correct implementation

The Company pays due attention to adhering to the ethical and corporate values stated in the Code of Ethics and in the internal policy on corporate culture, which are binding for all employees of the Company. The Company has no other ethical standards of its own to supervise members of senior (key) management. Given that the majority of the members of the Company bodies are also employed by the Company, the Company considers the above binding Company standards to be sufficient.

D. Ensuring key functions

1. Reviewing and guiding corporate strategies, risk management processes, budget and business plans; setting performance objectives, monitoring their fulfilment, and overseeing major capital transactions

Revisions of all the above documents are in the competence of the Company's Board of Directors, which decides on them and evaluates them at its regular quarterly or extraordinary meetings.

2. Monitoring the effectiveness of corporate governance practices and making changes as needed

Monitoring the effectiveness of governance is the responsibility of the Company's Board of Directors, which then reviews and evaluates the implementation of individual strategies and procedures and decides on any changes and measures.

3. Personnel policies regarding senior (key) management, including selection, compensation, monitoring and overseeing succession planning

Members of the Company bodies are elected and removed by the Company's General Assembly, which also decides on their remuneration. The Supervisory Board does not have extended powers in this area. Every finding or recommendation of the Supervisory Board is carefully evaluated, above all by the Board of Directors and the General Assembly of the Company.

4. Remuneration aligned with the long-term interests of the Company and its shareholders

i. Procedures for payments when hiring and/or terminating the contract of a manager

The remuneration system is detailed in PRINCIPLE IV: DISCLOSURE AND TRANSPARENCY, Section 4 (i) and (ii) in this Statement of Governance with respect to the Code. No special agreements are concluded with members of Company management and bodies regarding the payment of above-standard payments at the end of their employment or office in the Company.

5. Transparency of nomination and election of Company body members

i. Shareholders play an active role in the nomination and election of Company body members

The members of the Board of Directors, the Supervisory Board and the Audit Committee are elected by the General Assembly. All shareholders may nominate a candidate.

ii. Company bodies or a nomination committee oversee the transparency of procedures

The Company does not have a nomination committee, as it is a private joint-stock company with a minimum number of shareholders and the entire process of appointment and election of the Company bodies is the responsibility of the General Assembly, which is governed by the applicable legislation, in particular the Commercial Code and the Company's Articles of Association.

iii. Definition of the general and individual profile of Company body members, which the Company may need, taking into consideration the knowledge, competencies, and identification of potential candidates

The main selection criteria for members of Company bodies include expertise, managerial skills, identification with the corporate culture, sharing the Company values. All these criteria are verified at the Company, as managers from lower positions, who have demonstrated their abilities by their previous results, are appointed as members of Company bodies. A member of a Company body must be trustworthy and competent. Members of the Board of Directors and key management must have appropriate qualifications, experience and knowledge.

6. Monitoring and managing potential conflicts of interests of Company body members, management and shareholders

i. Company bodies oversee internal control systems for financial reporting and the use of assets to guard against inappropriate related-party transactions

The Company has established rules for monitoring transactions with related parties. The Company monitors and evaluates potential conflicts of interest in the Company.

ii. If this function is assigned to the internal auditor or other persons, they should have direct access to Company bodies

An internal policy of the CEO "Order of the CEO" has been prepared for the monitoring and management of potential conflicts of interest of members of Company bodies, key management and shareholders. The order specifies the persons responsible for the control of related party transactions.

iii. The Company encourages the reporting of unethical/unlawful behaviour without fear of retribution; there is a contact point for reporting and protection

The Company complies with this requirement. The manner of implementation is described in PRINCIPLE III: ROLE OF STAKEHOLDERS IN CORPORATE GOVERNANCE (F) (i) in this Statement of Governance with respect to the Code.

7. Ensuring the integrity of the accounting system, including independent audit and the risk management system

i. Setting clear lines of responsibility and accountability throughout the organisation

The limits of responsibility are set out in the Organisational Rules, including its annex "Employee Actions for the Company".

ii. Ensuring appropriate oversight and the internal audit system

The Company has a system in place to ensure proper oversight using interconnected internal directives and work procedures.

iii. Internal procedures are also applied at subsidiaries and, where possible, at third parties (intermediaries, suppliers, contract parties, etc.)

All suppliers are regularly evaluated once a year in accordance with the applicable BRC and IFS certification standards. If the supplier does not hold a quality management certificate (IFS, BRC, FSSC, ISO), regular audits are performed by trained employees of I.D.C. Holding, a.s.

Subsidiary entities have their own rules to ensure the integrity of the accounting system, including independent audit and risk management system in accordance with the legislation of the respective country.

The integrity of the accounting system is ensured by coordinating work in connection with the preparation and subsequent reporting of separate financial statements of subsidiaries in consolidated financial statements prepared by the parent company. The annual consolidated financial statements are audited by an independent auditor.

8. Overseeing the process of disclosure and communications

The process of disclosing information and external communication is overseen by the Director of the Finance and Economics Division, lawyer, Head of the Finance Department and the Communication and PR Manager.

E. Objectivity and independence of Company bodies

i. Independence of the Supervisory Board members

The criterion of independence of the members of the Supervisory Board is not fulfilled by the Company, as the Chair of the Supervisory Board is an employee and a person economically and personally related to the Company. In addition, one member of the Supervisory Board is also an employee.

ii. Concept of Independence

The Company considers the persons who are not in an employment or similar relationship with the Company and have no income from the Company other than income in connection with their office and are not otherwise economically and personally related to the Company (excluding their membership of the relevant body) as independent members of the Company bodies.

1. Company bodies should assign a sufficient number of non-executive members to tasks where there is a potential for conflicts of interest and consider establishing special committees with a minimum number of non-executive members, or composed entirely of non-executive members

The Company does not meet the above, as it is a private joint-stock company with a small group of shareholders and a clear division of competencies of individual bodies and senior (key) management of the Company in accordance with the effective Articles of Association and the Company's Organisational Rules. The Company's shareholders and bodies do not consider it necessary to set up additional special committees composed exclusively of non-executive members.

2. Existence, composition and operation of committees

i. Nomination Committee

The Company does not have a nomination committee. A more detailed justification is given in (1) above and in PRINCIPLE V: RESPONSIBILITIES OF COMPANY BODIES, Section 5. Transparency of nomination and election of Company body members, (ii) and (iii) in this Statement on Corporate Governance with respect to the Code.

ii. Remuneration Committee

The Company has no remuneration committee. A more detailed justification is given in (1) above and the remuneration system is described under PRINCIPLE IV: DISCLOSURE AND TRANSPARENCY, Section 4 Information about remuneration at the Company, (i), (ii) and (iii) in this Statement of Governance with respect to the Code.

iii. Audit Committee

The Company does not have an established audit committee, its function is performed by the Supervisory Board of the Company. For more information, see PRINCIPLE IV: DISCLOSURE AND TRANSPARENCY, Section 5 Information about members of Company bodies and executive (key) management and Section 9 Structure and activities of Company bodies and corporate governance strategy of this Statement on Corporate Governance with respect to the Code.

3. Qualification and experience of Company board members, and functions in other companies

i. Positions at other companies have no negative impact on their performance

Members of Company bodies may only accept additional commitments that will not have a negative impact on their performance for the Company. For more information, see PRINCIPLE IV: DISCLOSURE AND TRANSPARENCY in this Statement of Governance with respect to the Code.

4. Regular self-assessment of the performance of Company bodies and assessment of whether they possess the appropriate mix of expertise and competences

The Company's bodies meet the requirements for expertise and competence, which is confirmed by the Company's economic result.

i. Training and voluntary evaluation for Company body members

The Company creates conditions for training of members of its bodies and Company employees.

F. Company body members' right of access to accurate, relevant and timely information

The members of the Company bodies have unrestricted access to all information about the Company and the Company's employees are obliged to provide them with the required cooperation.

G. Mechanisms to facilitate access to information and training for employee representatives in Company bodies

i. Employee representatives have the same duties and responsibilities as all other Supervisory Board members

The Company meets this requirement. There are no defined differences in the obligations and tasks of individual members of the Supervisory Board, who are all bound by the same legislation and effective Articles of Association in the performance of their office.

ii. Procedures are established to increase independence of employees from Company management, including transparent appointment procedures, reporting to employees on a regular basis (while confidentiality requirements are respected) and management of conflicts of interest

The election of members of the Supervisory Board by employees is organised by the Board of Directors in close cooperation and coordination with trade unions operating in the Company.

APPENDIX:

1. Consolidated sustainability statement
2. Independent auditor's report and consolidated financial statements (prepared in accordance with International Financial Reporting Standards as approved by the EU) for the year ending 31 December 2024
3. Independent auditor's report and separate financial statements (prepared in accordance with International Financial Reporting Standards as approved by the EU) for the year ending 31 December 2024

**CONSOLIDATED SUSTAINABILITY REPORTING OF I.D.C. Holding,
a. s.
FOR 2024**

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1. General information about ESRS 2

1.1. Basis for the preparation of the statement

1.1.1. BP-1 – General basis for the preparation of the sustainability statement

Sustainability reporting

Consolidated sustainability reporting (hereinafter referred to as the "Statement") is in accordance with the European Sustainability Reporting Standards (hereinafter referred to as the "ESRS")¹ and the ESRS methodology, which are part of the Corporate Sustainability Reporting Directive (hereinafter referred to as the "CSRD")² and in accordance with the amendment to the Accounting Act § 20g³. We have focused on making the Statement accessible and easy to navigate, using objective language. At the end of this Statement, you will find the ESRS Index, which refers to all relevant topics, sub-topics and sub-topics (collectively, "sustainability matters") and disclosure requirements, together with links to pages where you can find this information. At the same time, the index provides a justification for not publishing selected disclosure requirements if they have not been published. The material sustainability aspects were determined on the basis of a double materiality assessment according to materiality for the stakeholders of the I.D.C. Holding a.s. Group, and for the environment.

[BP-2, 15]

Reporting period

The statement shall summarise the sustainability aspects for the period from 1 January 2024 to 31 December 2024 ('2024').

Data reporting

The declaration contains both quantitative and qualitative data. Quantitative data is obtained from our internal systems or is based on estimates and extrapolations, and these methods are always clearly stated and described. In some cases, this data was used for calculations that could also include information from publicly available databases. The carbon footprint of I.D.C. Holding, a.s., has been calculated in accordance with the Greenhouse Gas Protocol – Corporate Standard for Accounting and Reporting (Revised Edition)⁴ (hereinafter referred to as the "GHG Protocol"). Individual disclosure requirements are carefully labeled throughout the Statement in accordance with the terminology of the ESRS standards. In the Report, we used referencing disclosures to the relevant ESRS data points using square brackets, such as [65a].

The statement of I.D.C. Holding, a.s., (hereinafter jointly referred to as the "I.D.C. Holding, a.s." Group or the "Group") is prepared on a consolidated basis in accordance with the ESRS standards.

[BP-2, 15]

The scope of consolidation is the same as for the consolidated financial statements for 2024. The scope of the consolidation includes the parent company I.D.C. Holding, a.s. (hereinafter referred to as the "Parent") and its subsidiaries. The I.D.C. Holding, a.s. Group (hereinafter referred to as the "Group") consists of a parent company based in the Slovak Republic and its subsidiaries. Details of the subsidiaries are presented in the table below. The group is engaged in the production and sale of durable pastries, confectionery and chocolate products. The group operates in the Slovak Republic, the Czech Republic, the Republic of Poland and the Republic of Hungary.

[5a, 5b, 5e]

¹ Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council with regard to sustainability reporting standards.

Available at: <https://eur-lex.europa.eu/legal-content/SK/TXT/?uri=CELEX%3A32023R2772>

² Directive 2022/2464 of the European Parliament and of the Council on sustainability reporting on undertakings. Available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022L2464>

³ Act No. 431/2002 Coll. on Accounting, as amended, amending and supplementing certain acts

⁴ GHG Protocol (2004) A Corporate Accounting and Reporting Standard – Revised Edition. Available at: <http://www.ghgprotocol.org/sites/default/files/ghgp/standards/ghg-protocol-revised.pdf>

Parent Company	Core Activity
I.D.C. Holding, a.s.	Making biscuits and biscuits; Production of durable pastries and cakes

As at 31 December 2024*, the consolidated subsidiaries included the following companies:

Title	Core Activity	Ownership participation
		2024
I.D.C. Praha, a.s.	Sales, marketing and supply services on the Czech market	100 %
I.D.C. POLONIA S.A.	Distribution of I.D.C. Holding, a.s. products on the Polish market	100 %
I.D.C. HUNGÁRIA Zrt.	Distribution of I.D.C. Holding, a.s. products on the Hungarian market	100 %

* Until 23 August 2024, the Group also included Coin, a.s., and GROSER a.s. From 1 January 2022, these companies did not report any activity, did not employ any workers and did not own tangible or intangible assets. The spin-off companies had no impact on the Group's sustainability policies, measures and objectives. For this reason, no quantitative data on these companies was included in the sustainability statement.

The Group has decided not to disclose strictly confidential or sensitive information relating to plans and measures where it related to intellectual property, know-how or innovation results.

[5a, 5d]

The statement encompasses and reflects the Group's value chain. Our value chain consists of six interconnected links, including relationships with suppliers and customers.

The Group's value chain includes suppliers of energy and raw materials such as flour, sugar, fat, cocoa, milk, including packaging materials, which include films and cardboard, along with key carriers. The key customers for our Group are retail chains in the territory of the Slovak, Czech, Hungarian and Polish Republics. The value chain also includes suppliers of technology and spare parts, as well as providers of banking and financial services. The value chain also includes the Group's employees and end consumers.

[5c]

1.1.2. BP-2 – Disclosure of information in relation to special circumstances

In the statement, the group provides information that is also required by legislation other than the CSRD. Under Regulation (EU) 2020/852 of the European Parliament and of the Council⁵ (the "EU taxonomy"), the Group is required to disclose non-financial data on environmentally sustainable economic activities. Details of the EU Taxonomy are provided in the chapter [Disclosures](#) under Article 8 of the EU Taxonomy.

The Group does not have any methodology in place internally to define the sources of uncertainty about the measurement of estimates and results when providing information to the sustainability statement.

[11b,15]

⁵ Regulation (EU) 2020/852 of the European Parliament and of the Council establishing a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088

1.2. Sustainability Governance

1.2.1. GOV-1 – The role of administrative, management and supervisory bodies

Within the management and supervisory bodies, the Group has 12 executive and 25 non-executive members. The experience of our administrative, management and supervisory bodies includes skills in sales, management, sales, finance, creation and implementation of business strategy and business planning.

Individual members of the governing bodies are also experienced in the field of negotiation, controlling, purchasing, employee management, strategic planning. Negotiation experience is useful experience for managing and expanding the individual geographic locations in which sales take place. The members' experience also includes experience in the field of law and compliance.

Supervisory board members have experience in strategic management, finance, controlling, taxation, banking and investment, as well as areas such as internal audit in the food industry.

[21a, 21b, 21c]

In the management and supervisory bodies, 43.24% are women and 56.76% are men. Independent members of the board represent 16.22% of the total number of members in management and supervisory bodies.

Age structure	Managing authorities	Supervisory authorities	Together
30 – 50 years	18,92 %	16,22 %	35,14 %
over 50 years of age	27,03 %	37,84 %	64,86 %

[21d, 21e]

The management bodies of the parent company include the Board of Directors and the supervisory bodies include the Supervisory Board. The Board of Directors consists of members of the Board of Directors and the Chairman of the Board of Directors, and the Supervisory Board is composed of members of the Supervisory Board, the Vice-Chairman of the Supervisory Board and the Chairmen of the Supervisory Board.

[22a]

The Group does not reflect in its Articles of Association, Board mandates and other related policies information on the responsibilities of each body or individual for impacts, risks, and opportunities ("IROs"). The Group does not have a description of the role of the management in the processes, controls and governance procedures used to monitor, manage and supervise IROs and has not yet monitored progress and evaluation of how the administrative, management and supervisory authorities and senior executive management oversee the setting of targets for significant IROs.

Currently, the Group does not have a defined description of how the administrative, management and supervisory authorities determine whether appropriate skills and expertise are available or will be created for the purpose of overseeing sustainability matters, including sustainability-related expertise, which these authorities as a whole either directly possess or can use, for example through access to experts or training; and how those skills and expertise relate to the Group's significant impacts, risks and opportunities.

[22b, 22c, 22d, 23a, 23b]

1.2.2. GOV-2 – Information provided to the administrative, management and supervisory bodies of an undertaking and sustainability aspects dealt with by these bodies

Currently, the Group does not have a policy in place to determine who and how often informs the administrative, management and supervisory authorities about significant IROs, the implementation of due diligence and the results and effectiveness of the policies, measures, metrics and targets adopted to address these IROs. There is no policy that sets out how regulators, management and supervisors take IROs into account when overseeing the Group's strategy, when deciding on significant transactions and in the risk management process, including whether they have taken into account the trade-offs associated with these IROs.

[26]

1.2.3. GOV-3 - Integration of sustainability-related performance into incentive schemes and sustainability considerations addressed by these authorities

The Group currently does not have a remuneration policy or incentive system for members of the administrative, management and supervisory bodies that is linked to sustainability aspects.

[29]

1.2.4. GOV-4 - Due Diligence Statement

The Group has not yet implemented a comprehensive system on due diligence in relation to sustainability matters.

[32]

1.2.5. GOV-5 – Risk management and internal controls in the field of sustainability reporting

The group does not have a defined scope, main characteristics and elements of risk management and internal control processes and systems related to sustainability reporting. There is also a lack of a defined approach to assessing sustainability-related risks, including a methodology for prioritising them. In the absence of a risk management system and internal control of sustainability-related risks, these risks were identified only on the basis of a dual materiality assessment. The Group has no mitigation strategies, including related controls, or a process in place to integrate the findings of risk assessment and internal controls into the relevant internal functions and processes and to report them regularly to administrative, management and supervisory bodies.

[36]

1.3. Sustainability strategy and vision

1.3.1. SBM-1 Strategy, Business Model and Value Chain

Business activities, direct and indirect business relationships, business partners, affected stakeholders and resource dependencies were documented as appropriate along the value chain (upstream, own operations, downstream). When mapping the value chain, the Group took into account key customers, suppliers and partners strategic for business continuity. Value chain mapping was carried out at the level of the Group's various business segments. The Group took into account different product lines and subsequently identified three business segments: Durable Pastries, Confectionery, Chocolate Products, with all three business segments classified under the main Food and Beverage sector, which is defined according to the Draft Industry Classification Standard ESRS SEC1:

- C.10.89 – Manufacture of other food products not elsewhere classified;
- C.10.72 – Manufacture of rusks and biscuits,
- C.10.82 – Manufacture of cocoa, chocolate and confectionery.

The parent company is a manufacturer of durable pastries and confectionery in Slovakia. It has three plants, in which it produces about 34 thousand tons of products annually. The subsidiaries, which are commercial companies, are located in Poland, the Czech Republic and Hungary. Their customers are retail chains, consumer cooperatives, retail stores. The group is currently undergoing an acquisition process and will have a new parent company from 2025. It is highly probable that after the completion of the acquisition process in 2025, the Group's business model will be adjusted and changed in line with the business model of the new parent, which will have an impact on customers, investors and stakeholders.

The group's total revenues fall under the Food & Beverage category. A more detailed breakdown of the revenues for the ESRS sectors is not available to the Group. At present, the Group does not have sustainability-related objectives in terms of product and service groups or customer categories or geographies and stakeholder relationships. Due to the fact that significant IROs have been identified for the first time, the Group does not yet have a strategy on significant sustainability aspects.

The Group does not currently have defined key elements of its business strategy related to sustainability aspects. Significant product groups falling under the three segments of our business, which our Group produces within the business model, are: biscuits, wafers, sponge cakes and gingerbread, furé, chocolate and chocolate icing.

The Group's business strategy focuses on the markets of the V4 countries and partly on other exports. We place more than 93% of the Group's production on the markets of the V4 countries. The rest are other countries – mainly the United Kingdom, Romania, Sweden, Croatia.

Average Number of Regular Employees by Geographical Area by Employee Number Method

Landscape	Slovakia	Hungary	Czech Republic	Poland
Number of employees	983	23	99	88

[40a, 40b, 40e, 40g, 41, 42]

1.3.2. SBM-2 Interests and Views of Stakeholders

The group has identified different categories of stakeholders who may influence or be affected by its activities. The categories of stakeholders under the ESRS are divided into three groups: users of the Sustainability Statement and affected stakeholders, or both, depending on the extent to which each category influences or may be affected by the Group's activities and its direct and indirect operations. In the case of our Group, we have divided stakeholders into two groups

a) Affected stakeholders

- employees – interest in working conditions, safety, wages,
- Trade unions – the same interests as employees, but they were not directly involved in the dialogue, as we directly involved employees;
- customers – wholesale and retail chains are interested in quality, safety and ethical practices;
- end consumers – end consumers of our products have the same interests as customers, but they have not been involved in the dialogue due to the size of this category and indirect contact with them,
- suppliers – dependence on the financial situation and selection criteria of the Group.

b) Stakeholders belonging to both groups:

- owners of the company – significant influence on the decisions of the Group and the impact of the Group on the income of the owners,
- company management – significant influence on the Group's strategic and financial decisions and the Group's impact on the Group's management's earnings,
- investors and financial institutions – significant influence on the Group's strategic and financial decisions and the Group's influence on the income of investors and financial institutions.

Given the different characteristics of each category of stakeholders, the Group used a tailored methodology to select stakeholders, ensuring that the number of individuals selected was sufficient to maintain a representative sample proportionate to the size of the population. The recommended sample size was determined based on the Group's internal decision-making processes. Specific selection criteria have been established for different categories in order to accurately capture the unique attributes of each category. For example, a financial criterion was used for customers, which ensured that a certain percentage of the Group's sales was represented when selecting a sample from a list of customers.

The stakeholder engagement plan was implemented through various channels to ensure that stakeholders were reached effectively. Electronic surveys were distributed to gather quantitative knowledge about the perceptions and expectations of stakeholders.

In the first step, respondents were assigned to an appropriate group of stakeholders. They were then asked to rate the significance of each significant sustainability aspect identified in the Group's dual materiality assessment on a scale of 1 to 5, where 5 represented the highest possible significance value.

At the moment, the Group does not have detailed information about the planned change of strategy. For this reason, the Group cannot determine to what extent, if at all, a potential change in strategy will have an impact on stakeholders.

Currently, administrative, management and supervisory bodies are not informed of the views and interests of affected stakeholders regarding the Group's sustainability impacts.

[45a, 45b, 45c, 45d]

1.3.2.1. Additional information to the own workforce regarding the interests and views of stakeholders

The Group promotes cooperation between different stakeholders – shareholders, employees, consumers, customers, suppliers, creditors and investors. The interests of stakeholders are taken into account in business, financial and investment planning. The Group creates space for the election of an employee representative to the Supervisory Board in accordance with the law. Trade unions have the right of access to regular, timely, relevant, sufficient and reliable information according to the applicable collective agreement. The group accepts applicable laws and human rights.

[S1:12]

The Group has not carried out an analysis of whether and how our strategy and business model may play a role in creating, exacerbating or mitigating material impacts on employees. Neither the strategy nor the business model was adapted to address the significant impacts identified.

[S1: AR4]

1.3.2.2. Additional information to the workers in the value chain on the interests and views of stakeholders

For the Group, raw materials such as cocoa and palm oil are crucial for the production of their products. Indirectly, through its value chain, the Group has an impact on the working conditions of employees in the value chain through the selection of companies that deal with humane conditions underpinned by certification. The Group's suppliers are global producers of palm fats and cocoa components, they are global leaders and suppliers of sustainable products for the food industry. The topics of sustainability, child labour, forced labour and working conditions are contained in the Code of Ethics of the Group's supplier as well as the producer, distributor of the raw material. At present, the Group does not have an assessment of what role a strategy and business model can play in creating, exacerbating or mitigating material impacts on workers in our value chain.

[S2:9, AR4]

1.3.2.3. Additional information to consumers and end-users on the interests and views of stakeholders

As part of the double materiality assessment, the Group identified the negative impact of its products on final consumers in 2024. Increased consumption of sugar-sweetened foods causes an increased risk of cardiovascular disease. Eating a diet high in candy and desserts is associated with a higher risk of type 2 diabetes. At present, the Group does not have an assessment of what role its strategy and business model may play in creating, exacerbating or mitigating material impacts on end consumers.

[S4:8, AR3]

1.3.3. SBM-3 Significant Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model

The dual materiality assessment identified impacts, risks and opportunities arising from the Group's own activities and value chain. The tables in [Appendix 1](#) provide an overview of these IROs, together with a detailed description, which also includes information on how the Group's positive and negative impacts affect the environment and society. IROs are divided according to various criteria, including time (current or expected impacts), financial impacts on the Group (position, revenues, costs, performance, cash flow) and whether they are linked to ESRS standards or specific to the Group.

As the dual materiality assessment and identification of IROs were carried out for the first time, a plan for responding to identified significant IROs within the Group's strategy has not yet been implemented. This is the first application of the ESRS standards, so there are no changes in the significant impacts, risks and opportunities compared to the previous period. Nor has the resilience of the strategy and business model been developed in relation to addressing significant impacts and risks or seizing significant opportunities.

[48]

1.4. Managing impacts, risks and opportunities — Dual materiality assessment

In identifying impacts, risks and opportunities, an approach was taken that started with the identification of relevant sustainability aspects according to ESRS standards and Group-specific aspects. Subsequently, IROs were assigned to these aspects. The relevance of individual topics was assessed on the basis of a thorough analysis of the Group and internal documents.

The group conducted benchmarking with competitors and a survey by the agency that assigns ESG ratings. The methodology for assessing specific aspects of sustainability and awarding ESG ratings for companies in our sector was examined. Finally, the Group examined the different sustainability aspects of the sectoral standards and identified which aspects were covered by these standards.

The Group has set up a scoring system and determined which topics are relevant to the Group and which are not, based on the frequency of occurrence of each sustainability aspect in those documents.

1.4.1. Disclosure of the materiality assessment process

1.4.1.1. IRO-1 – Description of the procedures for identifying and assessing significant impacts, risks and opportunities

For each sub-topic or sub-topic, IROs have been identified depending on how detailed the individual sustainability aspects are defined in the ESRS standards. In identifying the impacts, all the knowledge gathered during the Group's comprehensive analysis in the previous step was used. It examined where the Group has a direct or indirect impact on the environment and people, including customer and supply activities, whether positive or negative.

Impacts have been identified based on the Group's internal processes, policies and control documentation that are directly or indirectly related to sustainability. These documents include: risk analysis and risk management, health and safety, economic and tax policies, HR, risk control, purchasing, general guidelines, production and development directives, documentation management and the consolidated annual report for 2022 and 2023. To identify impacts, the Group relied on internal and external sources, industry standards, media searches, competitor analysis, scientific articles and expert opinions.

A similar approach was applied to the identification of risks and opportunities. In this step, relevant risks and opportunities for further assessment were identified and documented, taking into account the Group's sustainability-related financial positions. This included the risks and opportunities arising from dependencies on natural, human and social resources. These risks and opportunities have been identified to allow for further assessment and to meet the disclosure requirements for risks and opportunities. Where necessary, risks and opportunities were broken down by country, significant location, or significant asset.

The assessment phase of the identified IROs consisted of three steps: Definition of Assessment Mechanisms and Thresholds, Impact Assessment and Financial Assessment.

The definition of evaluation mechanisms and impact assessment thresholds took into account the following factors:

Degree

Environmental aspects	Social/governance aspects	Score
No degree of influence	No degree of influence	0
Minimum	All other influences not interfering with the right to life, health or access to the basic necessities of life	1
Low	Impacts interfering with cultural, social rights	2
Central	Clear violation of human rights to access basic necessities of life (including education, probability, etc.)	3
High	Impacts affecting health, quality of life	4
Absolute	Causes death or adverse health effects that could result in a significant reduction in quality or length of life	5

Range

Environmental aspects	Social/governance aspects	Score
No	No	0
Limited	Only a small number of rights holders will be affected: 5% of the population in the area of influence	1
Concentrated	6-9% of the population in the area of impact will be affected	2
Medium	Only a small number of rights holders will be affected: 10% of the population in the area of influence	3
Extended	A significant number of rights holders will be affected: 11-19% of the population in the area of influence	4
Global / Full	A large number of rights holders will be affected: more than 20% of the population in the area of influence	5

Incorrigible character

Environmental, social, governance aspects	Score
Very easy to correct	0
Relatively easy to remedy in the short term	1
Remediation requires some effort (time and money)	2
Correction difficult or only in the medium term	3
Remedy very difficult or only in the long term	4
Remedy impossible	5

Probability of occurrence

Environmental, social, governance aspects	Score
Rare < 10%. Very unlikely to occur (less than once every 10 years). It is assumed that the event will occur only in exceptional circumstances. The event has not yet occurred.	0
Unlikely > 10%. The event may occur in the next 5-10 years. It is assumed that the event will occur only under limited circumstances. The event occurred in other industries.	1
Possible > 30%. The event may occur in the next 2-5 years. It is assumed that the event will only occur under certain circumstances. The event has already occurred in our industry.	2
Probably > 50%. The event may occur in the next 1-2 years. The event is believed to occur under many circumstances. An event occasionally occurs in our Group.	3
Almost certain > 90%. The event is likely to occur within 1 year. The event is expected to occur in most circumstances. The event occurs in our Group several times a year.	4
100 %. The event has happened/will definitely happen.	5

The impact assessment step identified during the impact identification step made use of evaluation mechanisms and took into account all relevant facts and circumstances, including information on low probability and high impact.

For positive impacts, materiality was determined by averaging the severity (taking into account the extent and degree of impact) and the probability of impact.

For adverse impacts, materiality was determined by averaging severity (extent, extent and irreversibility) and probability, excluding negative impacts on human rights. In the case of potential negative impacts on human rights, the severity of the impact takes precedence over its likelihood.

In the impact assessment, the Group's values were compared with established benchmarks or industry standards. We examined the geographic and societal impact of each impact to determine its significance. Negative impacts were also assessed on the basis of their potential to be mitigated or reversed through existing or feasible interventions. We estimated the likelihood of each impact occurring within a set timeframe, taking into account factors such as frequency, severity, and susceptibility to external influences.

Each impact was assigned a score and ranked according to specified thresholds for scope, width, irreparability, and probability. Impacts that exceeded these thresholds in one or more of the criteria were considered significant. To ensure consistency and objectivity, scoring and inclusion were done using a standardized methodology during the evaluation process.

According to this evaluation mechanism, the results of the assessment were obtained by averaging the severity (extent, extent and irreparable nature, if relevant) and the likelihood of each impact. The outcome of the assessment was considered significant by comparison with a predefined significant threshold. This quantitative threshold was set at 3.5 and any impact with a final score below 3.5 was considered insignificant, while an impact with a final score above or equal to 3.5 was considered significant.

The materiality assessment of risks and opportunities was carried out by taking into account:

Probability of occurrence

Environmental, Social, Governance aspects	Score
Rare < 10%. Very unlikely to occur (less than once every 10 years). It is assumed that the event will occur only in exceptional circumstances. The event has not yet occurred.	0
Unlikely > 10%. The event may occur in the next 5-10 years. It is assumed that the event will occur only under limited circumstances. The event occurred in other industries.	1
Possible > 30%. The event may occur in the next 2-5 years. It is assumed that the event will only occur under certain circumstances. The event has already occurred in our industry.	2
Probably > 50%. The event may occur in the next 1-2 years. The event is believed to occur under many circumstances. An event occasionally occurs in our Group.	3
Almost certain > 90%. The event is likely to occur within 1 year. The event is expected to occur in most circumstances. The event occurs in our Group several times a year.	4
100 %. The event has happened/will definitely happen.	5

Potential intensity of financial impact

Environmental, social, governance aspects	Score
Impact on sales < €10,000	0
€10,000 < Impact on sales <€750,000	1
€750,000 < Impact on sales < €1.8 million	2
€1.8 million < Impact on sales < €3 million	3
€3 million < Impact on sales < €5.5 million	4
EUR 5.5 million < Impact on sales	5

Similar to the approach to impact factors, these elements were assessed using an evaluation mechanism. Probabilities of occurrence and potential financial impacts were assigned scores from 0 to 5, with each number corresponding to a qualitative definition.

Similarly, the outcome of the assessment was considered significant by comparison with a predefined threshold. This quantitative threshold has been set at 3.5. For potential financial risks, this number represents materiality. The calculation of the Group's financial significance was based on total revenues, as this metric is often used as a basis for evaluating the Group's performance. Materiality was set at 2% of consolidated revenues, reduced by 25%.

The quantitative threshold of 3.5 was rounded up to €2.9 million.

In the financial assessment step, an assessment of the identified risks and opportunities from the step Identification of risks and opportunities using specified evaluation mechanisms was carried

out. During the evaluation process, all relevant facts and circumstances were taken into account, including information on low probability and high impact.

Each outcome of the assessment was determined by averaging the potential intensity of financial impacts and the likelihood of occurrence.

The intensity of potential financial impacts was assessed quantitatively, whenever possible. The assessment of the financial impacts of risks took into account previous cases, legal requirements and industry standards.

For legal and regulatory compliance risks, financial impact assessments were based on potential fines, legal fees and damages. Assessments of opportunities related to regulatory incentives or government subsidies were based on potential financial benefits, such as tax breaks, subsidies or grants. The probability of occurrence was assessed using expert judgment and analysis of trends in the industry.

Risks and opportunities were assessed by scoring and classification, taking into account the specified thresholds for the intensity of potential financial impact and probability. These risks and opportunities that exceeded the set thresholds were considered material and prioritised for further analysis and action. Scoring and inclusion were done using a standardized methodology to ensure consistency and objectivity of the assessment.

[53 a,b,c,d,e,f,g]

1.4.1.2. IRO-2 – Disclosure requirements in ESRS standards covered by the company's sustainability statement

Following the evaluation of the stakeholder dialogue, a list of significant IROs was established to identify sustainability aspects for disclosure in this statement. In the next step, a list of mandatory requirements was compiled at the level of data points and it was determined which of them are important and significant for the Group to meet the requirements of the declaration. Data points are considered significant if the information they contain is important in relation to the aspect they are intended to represent or explain, for example if they are directly linked to specific IROs.

The disclosure has the potential to be useful for users of financial statements when they are interested in data in the area of the Group's impacts.

ESRS standards and disclosure requirements, together with the determination of materiality, are summarised in [the ESRS Index](#) at the end of this Statement, where [Data Points resulting from other EU legislation under Appendix B to ESRS 2 can also be found in a table](#) containing a reference to the relevant page and paragraph.

[56, 59]

1.4.1.3. Minimum disclosure requirements

In 2024, as part of the beginning of the Group's ESG journey, significant topics were identified for the first time, which the Group will address from 2025 onwards. Since the acquisition of the Group started in 2024, following the completion of the identification of significant topics, no action plan was developed and no policies were adopted. Following the completion of the acquisition process in 2025, the Group will begin work on aligning ESG goals and policies with the new parent company and setting a strategy on individual significant sustainability aspects.

[62, 65a, 68a]

1.4.2. Metrics and goals

Since the acquisition process of the Group started in 2024, no measurable, time-bound targets have been defined or policies have been put in place, and thus the effectiveness of policy implementation measures has not been monitored. The Group assessed as unjustified to define and implement policies, metrics and targets on its entities for a few months of the year because the Group was being sold. Alignment with the objectives of the new parent company from 2025 onwards is envisaged.

Only the metrics prescribed by the ESRS standards were used in sustainability reporting. No other metrics are used by the Group. In 2025, the Group plans to merge with the new parent company and adopt its sustainability reporting metrics.

[72, 75, 81b]

2. Environmental information

All processes in production plants are actively managed and beyond the scope of legislation so that the contribution to environmental protection is as high as possible, especially in the areas of greenhouse gas emissions, wastewater treatment, production, treatment and recycling of waste.

2.1. Disclosures under Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation)

In accordance with the obligations arising from Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investments (hereinafter referred to as the "Taxonomy Regulation" or "EU taxonomy"), the Group assesses and publishes information on the proportion of revenues, capital expenditures and operating costs for 2024 associated with economic activities that are ineligible, eligible or aligned with the EU taxonomy.

The Taxonomy Regulation is a key part of the European Commission's action plan to redirect capital flows towards a more sustainable economy. It represents an important step towards achieving carbon neutrality by 2050 in line with the EU's climate goals, as the EU taxonomy is the classification system for environmentally sustainable economic activities.

In addition to the Taxonomy Regulation, the EU Taxonomy legislative framework consists of:

- the Delegated Regulation on Climate Objectives⁶, which complements the EU Taxonomy Regulation;
- a supplementary delegated regulation governing specific disclosures in certain energy sectors⁷;
- an amendment to the Climate Targets Delegated Regulation, which adds new eligible activities and technical screening criteria to the first two environmental objectives⁸;
- the Environmental Delegated Regulation, which complements the eligible activities and sets out the technical screening criteria for the remaining four environmental objectives⁹;
- a delegated regulation that defines disclosure requirements for undertakings¹⁰.

Although the EU Taxonomy's classification system is continuously expanded to include new eligible activities, the list does not yet cover the Group's business activities, which accounted for almost the entire volume of the Group's revenues. Due to the expansion of the list of eligible activities by the Environmental Regulation, eligible activities contribute to an increased extent to the Group's capital expenditure and operating expenses. Taking into account the above, in 2024 the Group did not carry out the activities listed in the Climate Targets Delegated Regulation, the Supplementary Delegated Regulation and the Environment Delegated Regulation. However, eligible activities contributed to its capital expenditure and operating costs through the purchase of outputs from

⁶ European Commission Delegated Regulation 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing technical screening criteria to determine the conditions under which an economic activity is identified as contributing substantially to climate change mitigation or adaptation and to determine whether a given economic activity does not significantly harm any of the other environmental objectives.

⁷ European Commission Delegated Regulation 2022/1214 of 9 March 2022 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific disclosures on those economic activities.

⁸ Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023 amending Delegated Regulation (EU) 2021/2139 by establishing additional technical screening criteria to determine the conditions under which certain economic activities are identified as contributing substantially to climate change mitigation or adaptation and to determine whether those activities do not significantly harm any of the other environmental objectives.

⁹ Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing technical screening criteria for determining the conditions under which an economic activity is identified as contributing substantially to the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, or the protection and restoration of biodiversity and ecosystems; and to determine whether that economic activity does not significantly harm any of the other environmental objectives and amending Commission Delegated Regulation (EU) 2021/2178 as regards specific disclosures on those economic activities.

¹⁰ European Commission Delegated Regulation (EC) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of the information to be disclosed by undertakings covered by Article 19a or 29a of Directive 2013/34/EU with regard to environmentally sustainable economic activities and specifying the methodology for complying with that disclosure obligation.

business partners carrying out eligible activities. The information disclosed by the EU Taxonomy Group is based on the provisions of the Delegated Regulation on corporate disclosures.

In 2024, the Group carried out construction modifications to varying degrees on buildings and also invested in the technical equipment of production lines and warehouses. From an EU taxonomy perspective, the relevant investments in the period were mainly electrical and electronic equipment, building renovation and passenger cars (for more information, see section 1.2 Capital expenditure).

Information on the proportion of the Group's revenues, capital expenditures and operating expenses for 2024 associated with eligible and EU Taxonomy-aligned economic activities.

Information on the Group's share of revenues, capital expenditures and operating expenses for the reporting period describes the proportion of activities associated with eligible economic activities and EU Taxonomy-aligned economic activities in accordance with Article 8 of the EU Taxonomy.

An eligible economic activity under the EU Taxonomy ('eligible economic activity') is an economic activity that is described in the Delegated Regulations supplementing the EU Taxonomy, regardless of whether that economic activity meets all the technical screening criteria set out in those Delegated Regulations.

An EU Taxonomy-aligned economic activity ('aligned economic activity') is an activity that meets all of the following requirements under Article 3 of the Taxonomy Regulation:

- the economic activity contributes substantially to one or more environmental objectives;
- does not cause significant harm to any of the environmental objectives;
- is carried out in accordance with minimum safeguards, and
- It is in line with the technical screening criteria set out in the Delegated Regulation supplementing the Taxonomy Regulation.

The Group assessed all its economic activities against eligible economic activities as defined under the Climate Objectives Delegated Regulation, the Supplementary Delegated Regulation and the Environmental Delegated Regulation. The summary share of economic activities eligible and aligned on individual indicators of the Group is presented in Table 1.

[Table 1]

Year ending 31 December 2024	Total (EUR thousands)	Share of eligible (non-coordinated) economic activities (%)	Share of concerted economic activities (%)	Share of unauthorised economic activities (%)
Turnover	195 041	0%	0%	100%
Capital expenditure	12 410	15%	0%	85%
Operating costs	5 717	14%	0%	86%

[Table 2]

Economic activity	Description	Share in the indicator	NACE code
CE 1.2. Manufacture of electrical and electronic equipment	Purchase of electrical and electronic equipment within the Group	CapEx, OpEx	C26
CCM 6.5., CCA 6.5. Transport by motorcycles, passenger cars and light commercial vehicles	Purchase of passenger cars and motorcycles	CapEx	H49
CCM 7.2., CCA 7.2., CE 3.2. Renovation of existing buildings	Civil engineering works and their preparation	CapEx, OpEx	F43

2.1.1. Group Accounting Policies

The KPIs include the turnover indicator, the capital expenditure ratio and the operating expense ratio. For the presentation of indicators for EU Taxonomy purposes, we use the templates set out in Annex II of the Delegated Regulation on Company Disclosures, as amended from time to time.

2.1.1.1. Yields

The share of the concerted economic activities in the Group's total revenues is defined as the ratio of the net turnover related to the coordinated economic activities (numerator) and the total net turnover (denominator) for 2024.

The current EU taxonomy-defined eligible economic activities under the Climate Objectives Delegated Regulation, the Supplementary Delegated Regulation and the Environment Delegated Regulation do not include activities in the production and sale of durable, semi-durable baked goods and confectionery. It is the production and sale of durable, semi-durable bakery products and confectionery that makes up the key share of the Group's revenues. Activities such as transport and rental of premises contribute to a very low extent to the total revenues. Their share on an aggregate basis does not exceed EUR 46 thousand, which is approximately 0.02% of revenues, and therefore they do not exceed the materiality threshold of 0.5% of revenues set by the Group for the purposes of assessing its economic activities and their reporting. For this reason, none of the economic activities contributing to the Group's revenues in 2024 is classified by the Group as eligible or aligned under the EU taxonomy. The share of concerted economic activities in the Group's revenues for the period is therefore zero.

The Group's revenues can be reconciled with the consolidated financial statements, see Consolidated Consolidated Profit and Loss Account for the year ended 31 December 2024 in EUR on page 3 of the consolidated financial statements (line 1).

The quantitative breakdown of the numerator for the return indicator is shown in note 16. Sale of own products, services and goods on page 26 of the consolidated financial statements. The group reports revenues from the sale of its own products and services.

As the Group does not report any of its own concerted economic activities, it also does not provide an assessment of compliance with the minimum safeguards, which is a condition for reporting concerted economic activities under the EU Taxonomy.

[Table 3] - Revenue indicator

Financial year 2024	Year			Significant Contribution Criteria						DNSH criteria (c)						17. Minimum guarantees yes/no	18. Share of Taxonomy-aligned (A.1) or Taxonomy-eligible(A.2) turnover, year 2023 %	19. Category supportive activities	20. Transitional activity category					
1. Economic activities Text	2. Code(s) *	3. Turnover thousand EUR	4. Turnover Ratio, Year N %	5. (1) Yes; No; Ineligible (a) (b) %	6. (2) Yes; No; Ineligible (a) (b) %	7. (3) Yes; No; Ineligible (a) (b) %	8. (4) Yes; No; Ineligible (a) (b) %	9. (5) Yes; No; Ineligible (a) (b) %	10. (6) Yes; No; Ineligible (a) (b) %	11.(1) yes /no	12.(2) yes /no	13.(3) yes /no	14.(4) yes /no	15.(5) yes /no	16.(6) Yes /No									
A. TAXONOMY LEGAL ACTIVITIES																								
A.1 Environmentally sustainable activities (aligned with the Taxonomy)																								
Turnover from environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%								0%	Neaplikovatele						
Of which support		0	0%	0%	0%	0%	0%	0%	0%								0%	Neaplikovatele						
Of which temporary		0	0%	0%	Neaplikovatele												0%	Neaplikovatele						
A.2 Eligible but environmentally unsustainable activities (non-Taxonomy-aligned) (d)																								
				Authorised; Unauthorized						Not applicable							Not applicable							
				%	%	%	%	%	%															
Turnover from eligible but environmentally unsustainable (non-Taxonomy-aligned) activities (A.2)			0	0%	0%	0%	0%	0%	0%															0%
A Total turnover from eligible taxonomy activities (A.1 + A.2) (A)			0														0%							
B. INELIGIBLE TAXONOMY ACTIVITIES																								
Turnover from unauthorized activities (B)		195 041	100%	Biodiversity Environmental objectives: (1) Climate change mitigation (2) Climate change adaptation (3) Water (4) Environmental pollution (5) Circular economy (6)																				
Total (A+B)		195 041	100%																					

	Proportion of turnover / total turnover	
	Aligned with the taxonomy by objective	Taxonomy-eligible by objective
CCM	0%	0%
ABOUT	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Explanatory notes:

* The code shall be the abbreviation of the relevant objective to which the economic activity is entitled to make a significant contribution, as well as the number of the section of the activity in the relevant Annex relating to the objective, i.e.:

- Climate change mitigation: CCM;
- Adaptation to climate change: CCA;
- Water and marine resources: WTR,
- Circular economy: CE,
- Pollution prevention and control: PPC;
- Biodiversity and ecosystems: BIO.

For example, the activity "afforestation" would have the code: CCM 1.1.

Where activities are eligible to make a significant contribution to more than one objective, the codes of all objectives should be provided.

For example, if the operator indicates that the activity 'construction of new buildings' contributes significantly to climate change mitigation and the circular economy, the code would be: CCM 7.1/CE 3.1.

- (a) **Yes**, Taxonomy-eligible and Taxonomy-aligned activity for the relevant environmental objective;
No, a Taxonomy-eligible activity but not Taxonomy-aligned for the relevant environmental objective;
Ineligible, Taxonomy-ineligible activity for the relevant environmental objective.
- (b) Where an economic activity contributes significantly to more than one environmental objective, non-financial undertakings shall indicate in bold the most significant environmental objective for the purpose of calculating the KPIs of financial undertakings, avoiding double counting. Where the use of funding revenues is not known, financial undertakings shall calculate in their respective KPIs the financing of economic activities contributing to multiple environmental objectives within the most significant environmental objective indicated in bold by non-financial undertakings in this template. In order to avoid double counting of economic activities in the KPIs of financial undertakings, the environmental objective may be reported in bold only once per line. This shall not apply to the calculation of the alignment of economic activities with the Taxonomy for financial products as defined in Article 2, point (12), of Regulation (EU) 2019/2088. Non-financial undertakings shall also report, using the following template, the extent of eligibility and alignment per environmental objective, which shall include alignment with each of the environmental objectives for activities contributing substantially to multiple objectives:

	Podiel obratu/celkový obrat	
	Zosúladené s taxonómiou podľa cieľa	Oprávnené v rámci taxonómie podľa cieľa
CCM	%	%
CCA	%	%
WTR	%	%
CE	%	%
PPC	%	%
BIO	%	%

- (c) For the activity reported in Section A.1, all DNSH criteria and minimum safeguards must be met. For the activities referred to in A.2, non-financial undertakings may voluntarily complete columns 5 to 17. In Section A.2, non-financial undertakings may list the significant benefit and DNSH criteria that they meet or do not meet by using: (a) for material benefit, 'yes/no' and 'ineligible' instead of 'eligible' and 'ineligible', and (b) for DNSH, 'yes/no'.
- (d) Activities shall be reported in Section A.2 of this template only if they are not aligned with any of the environmental objectives for which they are eligible. Activities that are aligned with at least one environmental objective shall be reported in Section A.1 of this template
- (e) The same activity may be eligible and not be aligned with the relevant environmental objectives.

2.1.1.2. Capital expenditure

The CapEx indicator was determined as the ratio of CapEx associated with aligned economic activities (numerator) to total CapEx as defined by the EU Taxonomy (denominator) for 2024.

By definition, the denominator includes increments of tangible and intangible assets during the reporting period under consideration before depreciation, depreciation and amortisation and any revaluations, including those arising from revaluations and impairments, for the relevant reporting period and excluding changes in fair value.

In the denominator, the Group included capital expenditures related to investments in the renovation of real estate, rolling stock, plant equipment and electronic and electrical equipment, which constitute a substantial part of the Group's capital expenditures. These are mainly increments of tangible assets accounted for in accordance with IAS 16 Property, Plant and Equipment and IFRS 16 Leases.

Further details on the accounting policies of the CapEx Group can be found in the notes to the consolidated financial statements on pages 16, 17, 24 of the consolidated financial statements.

The Group's total capital expenditures can be reconciled with the consolidated financial statements, see pages 16, 17 of the consolidated financial statements:

Note. 3 Buildings, structures, machinery and equipment, the Increments and Transfers rows in the Land and Buildings and Plant and Equipment columns.

Note. 4 Intangible Assets, Increments and Transfers rows in the Software column

In 2024, the Group did not record any gross increment (through a new or modified contract) on leasing - Note. 13 Leases.

The Group considers CAPEX as assets that are put in use during the year.

Since the Group did not carry out any eligible or concerted activity in the period, it did not have capital expenditures related to assets or processes related to the concerted economic activities. The Group does not have a CapEx plan to expand Taxonomy-aligned economic activities or to enable Taxonomy-eligible economic activities to become Taxonomy-aligned.

To assess alignment under the EU Taxonomy, the Group identified the part of CapEx that is related to the purchase of outputs from economic activities eligible under the EU Taxonomy. This category represents expenditure on goods or services that come from an authorized activity carried out by a third party - a supplier. For the given financial year, the Group identified the purchase of outputs of a number of activities defined as eligible in the Climate Objectives Delegated Regulation and the Environmental Delegated Regulation and thus requiring an assessment of possible alignment. These are outputs from the renovation of buildings, the leasing of vehicles and the purchase of electrical or electronic equipment.

The group has identified the following purchased outputs that correspond to eligible economic activities and thus result in capital expenditure eligible under the EU Taxonomy.

[Table 4]

Table 4 - Individual eligible capital expenditure and corresponding economic activities

Description of the purchased output or individual action eligible under the EU Taxonomy	Corresponding economic activity (as per the Annexes to the Climate Delegated Regulation and the Environment Delegated Regulation)
Purchase of electrical and electronic equipment within the Group	CE 1.2. Manufacture of electrical and electronic equipment
Purchase of passenger cars	CCM 6.5., CCA 6.5. Transport by motorcycles, passenger cars and light commercial vehicles
Reconstruction and construction modifications of buildings owned by the Group and technical improvement of leased buildings	CCM 7.2., CCA 7.2., CE 3.2. Renovation of existing buildings

Additions of assets in this case qualify as capital expenditure aligned with the EU Taxonomy in case it can be verified that the good or service in question from the relevant supplier originates from the concerted activity. As the alignment of activities under the EU Taxonomy also includes criteria not to significantly harm any of the environmental objectives and to carry out the activity in accordance with minimum safeguards, the Group also had to work with its suppliers in the assessment.

When assessing expenditure on assets arising from the activities of CCM 6.5., CCA 6.5. Transport by motorcycles, passenger cars and light commercial vehicles, CCM 7.2., CCA 7.2., CE 3.2. Renovation of existing buildings and CE 1.2. Manufacture of electrical and electronic equipment, the technical screening criteria were not met or the data required for the assessment of the technical screening criteria could not be obtained. Thus, all capital expenditures related to these activities are reported by the Group as eligible but not reconciled.

[Table 5] - Capital expenditure ratio

Financial year 2024		Year		Significant Contribution Criteria						DNSH criteria (c)						17. Mini mum guarant ees	18. Share of Taxonomy-aligned or eligible Taxonomy-aligned or eligible expenditure(A. 2), 2023 %	19. Category supportive activities	20. Transi tio nal activity category
1. Economic activities <i>Text</i>	2. Code(s) *	3. Capital expendit ures in thous. EUR	4. Share of capital expenditure, year N %	5. (1) Yes; No; Ineligible (a) (b) %	6. (2) Yes; No; Ineligible (a) (b) %	7. (3) Yes; No; Ineligible (a) (b) %	8. (4) Yes; No; Ineligible (a) (b) %	9. (5) Yes; No; Ineligible (a) (b) %	10. (6) Yes; No; Ineligible (a) (b) %	11.(1) yes /no	12.(2) yes /no	13.(3) yes /no	14.(4) yes /no	15.(5) yes /no	16.(6) Yes /No				
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (aligned with the Taxonomy)																			
		0	0%	0%	0%	0%	0%	0%	0%								0%		
Capital expenditure from environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%								0%	Not applicable	
Of which support		0	0%	0%	0%	0%	0%	0%	0%								0%	Not applicable	
Of which temporary		0	0%	0%	Not applicable												0%	Not applicable	
A.2 Eligible but environmentally unsustainable activities (not Taxonomy-aligned)																			
										Authorised; Unauthorized									
Renovation of existing buildings	CCM 7.2. CCA 7.2. CE 3.2.	230	2%	Authorise d	Authorise d	Unauthori zed	Authorise d	Unauthori zed	Unauthori zed	Not applicable						6%	Not applicable		
Transport by motorcycles, reindeer vehicles and light commercial vehicles	CCM 6.5. CCA 6.5.	420	3%	Authorise d	Authorise d	Unauthori zed	Unauthori zed	Unauthori zed	17%										
Manufacture of electrical and electronic equipment	CE 1.2.	1 201	10%	Unauthori zed	Unauthori zed	Unauthori zed	Authorise d	Unauthori zed	Unauthori zed							63%			
CapEx from eligible but environmentally unsustainable (non-Taxonomy-aligned) activities (A.2)		1 851	15%	100%	100%	0%	100%	0%	0%							87%			
Total CapEx from eligible Taxonomy activities (A.1 + A.2) (A)		1 851	15%	100%	100%	0%	100%	0%	0%	87%									
B. INELIGIBLE TAXONOMY ACTIVITIES																			
Capital expenditure from ineligible activities (B)		10 559	85%																
Total (A+B)		12 410	100%																
Environmental objectives: (1) Climate change mitigation (4) Environmental pollution (2) Climate change adaptation (5) Circular economy (3) Water (6) Biodiversity																			

	CapEx Share / Total CapEx	
	Aligned with the taxonomy by objective	Taxonomy-eligible by objective
CCM	0%	5%
ABOUT	0%	0%
WTR	0%	0%
CE	0%	10%
PPC	0%	0%
BIO	0%	0%

The explanatory notes can be found under Table 3 of this section.

2.1.1.3. Operating costs

The operating cost indicator is defined as the ratio of the operating costs associated with the concerted economic activities (numerator) to the total operating costs as defined by the EU Taxonomy (denominator). Total operating costs as defined by the EU Taxonomy include direct non-capitalised costs related to research and development, building renovation measures, short-term and low-value leases of the underlying asset, maintenance and repair of buildings, and any other direct costs related to the day-to-day maintenance of property, machinery and equipment that are necessary to ensure the continued and efficient functioning of such assets.

The amount of non-capitalized leases has been determined in accordance with IFRS 16 and includes the cost of short-term leases and leases with a low value of the underlying asset (for more information on the Group's accounting policies in relation to leases see note 13 of the consolidated financial statements on page 24). Although leases with a low value of the underlying asset are not explicitly mentioned in the Corporate Disclosures Delegated Regulation, the Group interprets the legislation to include these leases.

Maintenance and repair costs were determined on the basis of maintenance and repair costs allocated to the Group's internal cost centers. Related cost items can be found in various items in the Consolidated Consolidated Profit and Loss Account, including notes to the 2024 consolidated financial statements, note. 17. Materials and services consumed, and note. 19. Other operating income/(expenses). This also includes measures for the renovation of buildings.

In general, these costs include the cost of services and materials for daily servicing, as well as for regular and unplanned maintenance and repair arrangements. These costs are directly attributed to land, buildings and equipment. They do not include costs related to their day-to-day operation, such as raw materials, costs for employees operating machinery, electricity or fuel needed to operate them.

Depreciation and amortization are also not included in the operating expense ratio.

Both the numerator and the denominator exclude the direct costs of training and other human resources needs. Indeed, Annex I to the Delegated Regulation on Corporate Disclosures lists those costs only in numerator, which does not allow for a mathematically meaningful calculation of the operating cost indicator.

The Group recorded significant operating expenses in the year. In accordance with Annex I of the Delegated Regulation on Enterprise Disclosures, the numerator of this indicator with a value of EUR 5,717 thousand and discloses the total operating costs in the denominator of the indicator. The Group's total operating expenses included the costs of building renovation, repair and maintenance of production facilities and vehicles, and short-term rentals. The Group also conducts research and development in the field of products, which was also included in the total operating expenses.

Among the operating costs, the Group identified a part related to the purchase of outputs from economic activities eligible under the EU Taxonomy. This category represents expenditure on goods or services that come from an authorized activity carried out by a third party - a supplier. For the given accounting period, the Group identified the purchase of outputs resulting from the

activities of CCM 7.2., CCA 7.2., CE 3.2. Renovation of existing buildings and CE 1.2. Manufacture of electrical and electronic equipment. When assessing the technical criteria for reviewing the activities of CCM 7.2. Renovation of existing buildings and CE 1.2. Manufacture of electrical and electronic equipment The Group concluded that the criteria were not met, or that it was not possible to obtain the data required for the assessment of these criteria, and therefore these activities are reported as eligible but not reconciled.

[Table 6] - Operating expenditure indicator

Financial year N	Year			Significant Contribution Criteria						DNSH criteria (c)						17. Minimum guarantees	18. Share of Taxonomy-aligned or eligible Taxonomy-aligned expenditure(A.2), year N-1 %	19. Category support activities	20. Transitional activity category					
1. Economic activities Text	2. Code(s) *	3. Operating expenses in thous. EUR	4. Share of operating expenditure N %	5. (1) Yes; No; Ineligible (a) (b) %	6. (2) Yes; No; Ineligible (a) (b) %	7. (3) Yes; No; Ineligible (a) (b) %	8. (4) Yes; No; Ineligible (a) (b) %	9. (5) Yes; No; Ineligible (a) (b) %	10. (6) Yes; No; Ineligible (a) (b) %	11.(1) yes /no	12.(2) yes /no	13.(3) yes /no	14.(4) yes /no	15.(5) yes /no	16.(6) Yes /No									
A. ELIGIBLE TAXONOMY ACTIVITIES																								
A.1 Environmentally sustainable activities (aligned with the Taxonomy)																								
Operating expenditure of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%								0%	Not applicable						
Of which support		0	0%	0%	0%	0%	0%	0%	0%								0%	Not applicable						
Of which temporary		0	0%	0%	Not applicable												0%	Not applicable						
A.2 Eligible but environmentally unsustainable activities (not Taxonomy-aligned)																								
				Authorised; Unauthorized						Not applicable														
Renovation of existing buildings	CCM 7.2. CCA 7.2. CE 3.2.	132	2%	Authorised	Authorised	Unauthorized	Authorised	Unauthorized	Unauthorized														8%	Not applicable
Transport by motorcycles, passenger cars and light commercial vehicles	CCM 6.5. CCA 6.5.	440	8%	Authorised	Authorised	Unauthorized	Unauthorized	Unauthorized	Unauthorized														3%	
Manufacture of electrical and electronic equipment	CE 1.2.	172	3%	Unauthorized	Unauthorized	Unauthorized	Authorised	Unauthorized	Unauthorized														1%	
				%	%	%	%	%	%															
Operational expenditure of Taxonomy-eligible but not environmentally sustainable activities (non-Taxonomy-aligned activities) (A.2)		744	13%	10%	100%	0%	100%	0%	0%														12%	
Total operational expenditure of Taxonomy-eligible activities (A.1 + A.2) (A)		744	13%	10%	100%	0%	100%	0%	0%								12%							
B. INELIGIBLE TAXONOMY ACTIVITIES																								
Operating costs from unauthorised activities (B)		4 973	87%																					
Total (A+B)		5 717	100%																					
Environmental objectives: (1) Climate change mitigation (2) Climate change adaptation (3) Water (4) Environmental pollution (5) Circular economy (6) Biodiversity																								

	OpEx Share / Total OpEx	
	Aligned with the taxonomy by objective	Taxonomy-eligible by objective
CCM	0%	11%
ABOUT	0%	0%
WTR	0%	0%
CE	0%	3%
PPC	0%	0%
BIO	0%	0%

The explanatory notes can be found under Table 3 of this section.

2.2. ESRS E1 Climate Change – Responding to Climate Change

2.2.1. Climate change governance

2.2.1.1. ESRS 2 GOV-3 Integration of sustainability-related performance into incentive schemes

The remuneration policy and incentive system of sustainability performance are currently not taken into account in the remuneration of members of management and control bodies.

[13]

2.2.2. Climate Change Strategy

2.2.2.1. E1-1 – Transition Plan for Climate Change Mitigation

The Group currently does not ensure the compatibility of its strategy and business model with the transition to a sustainable economy that would limit global warming to 1.5°C in line with the Paris Agreement. It also does not currently have a timetable in place for embracing this transformation. Due to the ongoing acquisition, the time horizons will be agreed by the new parent company. The group is not excluded from EU benchmarks in line with the Paris Agreement.

[14, 16a, 16g, 17]

2.2.2.2. ESRS 2 SBM-3 – Significant impacts, risks and opportunities and their interaction with strategy and business model

At the moment, the Group has not carried out an analysis of the resilience of the strategy and business model in relation to climate change, as there has been no climate risk assessment or the creation of a transformation plan to reduce negative environmental impacts.

[19, AR6, AR7, AR8]

2.2.3. Managing climate change impacts, risks and opportunities

2.2.3.1. ESRS 2 IRO-1 - Description of the procedures for the identification and assessment of significant climate-related impacts, risks and opportunities

In assessing the impacts, risks and opportunities, the Group's activities and production processes in the Cifer, Pečivárne Sereď and Figaro Trnava plants, which are key to the functioning of the company, were analyzed. The Group focused on their impact on the external environment while also taking into account the impact of external incentives on the Group throughout the value chain.

The first dual materiality assessment did not take into account transition risks and physical climate risks, as an analysis of these risks had not yet been carried out.

As a manufacturing company is part of the Group, climate change has been identified as a key area that requires attention. This decision is based on the results of a double materiality assessment, namely IROs related to greenhouse gas emissions and high energy consumption in the production process.

[20, 21, AR9, AR11, AR12, AR13]

2.2.3.2. E1-2 - Climate change mitigation and adaptation policies

The Group has no policy on climate change mitigation, energy efficiency, deployment of renewables or other measures to manage significant impacts, risks and opportunities related to climate change mitigation and adaptation.

[24, 25a, 25c, 25d, 25e]

2.2.3.3. E1-3 - Measures and resources related to climate change policies

The Group does not have climate change mitigation measures in place, which include decarbonisation tools and nature-based solutions.

[29a, 29b]

2.2.4. Climate change metrics and targets

2.2.4.1. E1-4 – Targets for climate change mitigation and adaptation

The group does not have targets set for supporting climate change mitigation and adaptation policies.

[32, 33, E1-1:16b]

2.2.4.2. E1-5 – Energy consumption and energy mix

Currently, the Group uses nuclear energy sources, renewable energy sources and natural gas fuels to operate its activities.

Energy consumption and energy mix	Comparison	2024
1. Consumption of purchased electricity from fossil sources (MWh)	N/a	0,00
Share of fossil resources in total electricity consumption (%)	N/a	0,00
2. Consumption of purchased electricity from nuclear sources (MWh)	N/a	840,50
Share of consumption from nuclear sources in total electricity consumption (%)	N/a	4,71
3. Consumption of purchased electricity from renewable sources (MWh)	N/a	17 021,45
Share of renewables in total electricity consumption (%)	N/a	95,29
4. Consumption of purchased electricity from other sources (MWh)	N/a	0,00
Share of other sources in total electricity consumption (%)	N/a	0,00
Total energy consumption (MWh) (calculated as the sum of rows 1 to 4)	N/a	17 864,95

The Group purchases renewable sources of electricity directly from the supplier and does not produce its own electricity. The Group has no electricity consumption from coal, petroleum and petroleum products, and other fossil sources. Natural gas is used for heating and for production processes. In 2024, natural gas consumption was 3,957,744 m³, of which 1,298,485.66 m³ was used for heating through own facilities.

[37, 38, 39, AR33, AR34]

The energy intensity is 0.00009160 MWh/EUR, with energy consumption of 17 864.95 MWh and consolidated net revenues of EUR 195 041 000 included in the calculation.¹¹ which is part of the sectors with a high impact on climate change. The amount of net revenue can be found in the notes to the accounts on page 26, paragraph 16.

[40, 42, 43, AR36]

The Group does not use waste energy to generate steam, heat or cooling in third-party industrial processes. Hydrogen as a renewable energy source is also not used within the Group.

¹¹ Climate-high impact sectors are those listed in NACE Sections A to H and Section L (as defined in Commission Delegated Regulation (EU) 2022/1288).

[AR32h, AR32i]

2.2.4.3. E1-6 – Scope 1, 2, 3 gross emissions and total greenhouse gas emissions

The calculation of the Group's carbon footprint for 2024 was carried out on the basis of operational control, which means that the Group reports 100% of emissions from the operations over which it has operational control. At the same time, 2024 is the starting year for the Group, given that the calculation of the Group's carbon footprint took place for the first time. These issues represent the issues for the entire consolidated Group. In addition to the GHG Protocol, the calculation also took into account the Scope 2 Addendum to the Corporate Standard of the GHG Protocol¹² and the Standard for Accounting and Reporting of the Company's Value Chain (Scope 3)¹³ – a supplement to the GHG Protocol issued by the GHG Protocol.

[46]

¹² GHG Protocol Scope 2 guidance (2015). Available at:

https://ghgprotocol.org/sites/default/files/ghgp/standards/Scope%20%20Guidance_Final_0.pdf

¹³ Corporate value chain (scope 3) standard: GHG protocol (2011) Corporate Value Chain (Scope 3) Standard | GHG Protocol. Available at: <https://ghgprotocol.org/corporate-value-chain-scope-3-standard>

	Retrospective				Milestones and target years			
	Base year 2024	Comparison	2024	% N/N-1	2025	2030	2050	Annual % target/base year
Scope 1 greenhouse gas emissions								
Scope 1 gross greenhouse gas emissions (tCO2e)	9 350,73	N/a	9 350,73	N/a	N/a	N/a	N/a	N/a
Scope 1 percentage Greenhouse gas emissions from regulated emissions trading (%)	0,00%	N/a	0,00%	N/a	N/a	N/a	N/a	N/a
Scope 2 greenhouse gas emissions								
Scope 2 gross greenhouse gas emissions by site-based method (tCO2e)	3 199,70	N/a	3 199,70	N/a	N/a	N/a	N/a	N/a
Scope 2 gross greenhouse gas emissions by market-based method (tCO2e)	560,57	N/a	560,57	N/a	N/a	N/a	N/a	N/a
Significant Scope 3 greenhouse gas emissions								
Total gross indirect greenhouse gas emissions (Scope 3) by site-based method (tCO2e)	187 031,87	N/a	187 031,87	N/a	N/a	N/a	N/a	N/a
Total gross indirect greenhouse gas emissions (scope 3) by market-based method (tCO2e)	186 969,12	N/a	186 969,12	N/a	N/a	N/a	N/a	N/a
1. Goods and services purchased	168 012,67	N/a	168 012,67	N/a	N/a	N/a	N/a	N/a
2. Capital goods	5 123,07	N/a	5 123,07	N/a	N/a	N/a	N/a	N/a
3. Fuel and energy related activities (not included in scope 1 or scope 2) according to the site-based method	4 625,33	N/a	4 625,33	N/a	N/a	N/a	N/a	N/a
3. Fuel and energy related activities (not covered by scope 1 or scope 2) according to the market-based method	4 562,52	N/a	4 562,52	N/a	N/a	N/a	N/a	N/a
4. Transport and distribution to suppliers	921,17	N/a	921,17	N/a	N/a	N/a	N/a	N/a
5. Waste generated by the activity	417,58	N/a	417,58	N/a	N/a	N/a	N/a	N/a

	Retrospective				Milestones and target years			
	Base year 2024	Comparison	2024	% N/N-1	2025	2030	2050	Annual % target/base year
6. Business trips	67,62	N/a	67,62	N/a	N/a	N/a	N/a	N/a
7. Employee commuting	7 863,00	N/a	7 863,00	N/a	N/a	N/a	N/a	N/a
8. Assets leased by the supplier under the site-based method	1,39	N/a	1,39	N/a	N/a	N/a	N/a	N/a
8. Assets leased by suppliers under the market-based method	1,46	N/a	1,46	N/a	N/a	N/a	N/a	N/a
9. Transport to customers	0,00	N/a	0,00	N/a	N/a	N/a	N/a	N/a
10. Processing of sold products	0,00	N/a	0,00	N/a	N/a	N/a	N/a	N/a
11. Use of Products Sold	0,00	N/a	0,00	N/a	N/a	N/a	N/a	N/a
12. End-of-life disposal of sold products	0,03	N/a	0,03	N/a	N/a	N/a	N/a	N/a
13. Assets leased to customers under the site-based method	0,00	N/a	0,00					
13. Assets leased to customers using the market-based method	0,00	N/a	0,00	N/a	N/a	N/a	N/a	N/a
14. Franchising Licenses	0,00	N/a	0,00	N/a	N/a	N/a	N/a	N/a
15. Investments	0,00	N/a	0,00	N/a	N/a	N/a	N/a	N/a
Total greenhouse gas emissions								
Total greenhouse gas emissions (based on location) (tCO2e)	199 582,30	N/a	199 582,30	N/a	N/a	N/a	N/a	N/a
Total greenhouse gas emissions (based on market) (tCO2e)	196 880,42	N/a	196 880,42	N/a	N/a	N/a	N/a	N/a

The category of purchased goods and services includes input raw materials for the production of the Group's products. Input materials within this category amount to 146 152,23 tCO2e.

The Group's emissions are not part of regulated emissions trading schemes and the Group does not generate any biogenic CO2 emissions from the combustion or biodegradation of biomass.

[48b, AR43c, AR45a, AR46j]

The greenhouse gas emission intensity is 0.00102328 tCO₂e/EUR for the site-based method and 0.00100943 tCO₂e/EUR for the market-based method, with emissions of 199 582.30 t CO₂e for the site-based method and 196 880.42 tCO₂e for the market-based method and net revenues of EUR 195 041 000 for the calculation. The amount of net revenues can be found in the notes to the accounts on page 26. Point 16.

[53,54,55]

Greenhouse gas emissions were also calculated at the level of individual companies of the Group.

Company	Range	Site-based emissions in tCO ₂ e	Market-based emissions in tCO ₂ e
I.D.C. Holding a.s.	Scope 1	8 497,13	8 497,13
	Scope 2	2 793,26	3,80
	Scope 3	185 069,61 ¹⁴	184 999,41
	Total emissions	196 360,00	193 500,34
I.D.C. Praha, a. s.	Scope 1	422,36	422,36
	Scope 2	326,86	466,95
	Scope 3	430,47	437,10
	Total emissions	1 179,69	1 326,41

I.D.C. POLONIA S.A.	Scope 1	309,919	309,919
	Scope 2	77,46	86,24
	Scope 3	1 305,24 ¹⁵	1 305,8510

¹⁴ The figure was rounded up by 0.01 for mathematical accuracy.

¹⁵ The figure has been rounded down by 0.02 for mathematical accuracy.

Company	Range	Site-based emissions in tCO2e	Market-based emissions in tCO2e
	Total emissions	1 692,6111	1 702,00¹⁶
I.D.C. HUNGÁRIA Zrt.	Scope 1	121,33	121,33
	Scope 2	2,12	3,58
	Scope 3	226,55	226,76
	Total emissions	350,00	351,67
Together	Scope 1	9 350,73	9 350,73
	Scope 2	3 199,70	560,57
	Scope 3	187 031,87	186 969,12
	Total emissions	199 582,30	196 880,42

[AR41]

¹⁶ The figure has been rounded down by 0.01 for mathematical accuracy.

The calculation of CO2 equivalent emissions was carried out within the framework of the Carbon Footprint Calculation Tool, and the calculation was carried out in accordance with the GHG Protocol. The data for the calculation were obtained either on the basis of direct measurements, from invoices, reports, or estimates were made within individual Scopes.

Within Scope 1 and 2, all data were directly measured and obtained from invoices and reports. In the absence of data on fuel consumption and electricity consumption for those months, this data was omitted from the calculation of the carbon footprint due to its insignificance in the overall carbon footprint.

Within Scope 3, several estimates were made. The purchase of materials, including raw materials, packaging, finished products and services, is carried out on behalf of the entire Group in the Sered', Trnava and Cifer operations. The parent company is therefore responsible for purchasing the materials. Subsidiaries purchase products or services at a value that does not have a significant impact on the Group's overall carbon footprint. The 80/20 Pareto rule was used in the selection of materials, products or services for the calculation of the carbon footprint, which means that the items that have the greatest impact on the total amount of the Group's carbon footprint were included in the calculation.

In the case of transport by third parties, the transport distance was estimated based on the locations of suppliers and customers via a web application to indicate the route. For months when data on the amount of waste generated was not available, estimates were made. The data were estimated on the basis of a calculation where the number of containers in operation was multiplied by the volume of containers and the number of exports per year. 80% was then calculated from this value, as the containers were not all equally full all year. To calculate the amount of waste produced in one month, the value was then divided by the number of months.

Emissions from business trips were calculated on the basis of direct measurements. In the case of air business trips, information on the air class was not available, so the average data of the emission factor of business and economy class was used to calculate the emissions.

Data on employees' commuting to work were collected on the basis of a questionnaire survey. Subsequently, distance data was averaged and extrapolated to the total number of employees commuting to work. The number of employees did not include employees who were on maternity, paternity or parental leave in 2024, were on long-term sick leave or used company cars to commute to work, as emissions from company cars were included in Scope 1.

In the event that the Group rents entire buildings or entire floors and has data on electricity consumption directly from meters or invoices, this data has been included in Scope 2, as the Group has operational control over the premises. If the Group only leases part of a floor and it was not possible to accurately divide meter readings into emissions coming from the Group's leased premises, this data was included in Scope 3, category of assets leased by the supplier. The same approach was taken with the amount of waste produced. If the Group had precisely measured data on the amount of waste produced, the data were included in Scope 3, category of waste generation in operations. Data within shared areas, when measured data on the amount of waste produced was not available, were included in Scope 3, category of property provided in the form of leasing by the supplier.

[AR39b]

Emissions of carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), hydrofluorocarbons (PFCs), sulphur hexafluoride (SF6) and nitrogen hexafluoride (NF3) were included in the calculation of CO2 equivalent emissions. The table shows their values.

Gas type	Local access	Market access
	Amount Drained (tonnes of CO2e)	Amount Drained (tonnes of CO2e)
CO2e – unknown structure of GHG gases	181 797,28	179 095,40
CO2	17 692,52	17 692,52
CH4	22,80	22,80
N2O	69,70	69,70
Together	199 582,30	196 880,42

[AR39c, AR41]

To calculate emissions, emission factors were multiplied with activity data. The emission factors were from various sources.

Category	Type of emission factor	Emission factor source	When the emission factor was issued
Volatile emissions	Kyoto protocol blends – R404A, R407A, R407C, R410A	Department for Energy Security & Net Zero ("DESNZ")	2024
Stationary combustion	Natural gas		
Combustion of vehicles	Diesel		
	Petrol		
Purchased electricity	Unspecified renewables – Slovak Republic – based on market	Zero emission factor based on the GHG Protocol	2024
	Unspecified renewables – Slovak Republic – based on location	European Investment Bank (EIB)	2022
	Unspecified core – Slovak Republic, Czech Republic, Poland, Hungary – based on market	Association of Issuing Bodies ('AIB')	2023
	Unspecified core – Slovak Republic, Czech Republic, Poland, Hungary – based on location	EIB	2022
Purchased goods and services	Services – transport	Exiobase	2022
	Goods – Food	Ecoinvent	2022
	Materials – cast iron	Ecoinvent	2023
	Materials – food, paper and cardboard, plastic, electrical equipment	DESNZ	2024
Capital goods	Products – machinery and equipment, office machinery and equipment, motor vehicles, furniture, plastic moulds	Exiobase	2022
Fuel and energy related activities (not included in	Business travel – air transport, train transport	DESNZ	2024

Category	Type of emission factor	Emission factor source	When the emission factor was issued
scope 1 or scope 2)	Employee commuting – bus, car, motorcycle, train		
	Transport by third parties – diesel, unspecified		
	Vehicle combustion – diesel, petrol		
	Stationary combustion – natural gas		
	Purchased electricity – nuclear	DESNZ	2021, 2024
	Purchased electricity – renewable	Robust Disclosure Systems for Europe - Phase II	2013
Transport and distribution	Diesel, n.e.c.	DESNZ	2024
Waste generation in operations	Waste disposal – batteries, electrical waste, mixed waste, bio-waste, paper and cardboard, plastics, wood, metals, unspecified waste	DESNZ	2024
Business trips	Business travel – short, medium and long distance flights (class unknown)	DESNZ	2024
	Business travel – train – international train, domestic train		
	Business trips – hotel stays	DESNZ	2021, 2024
Employee commuting	Bus, car, motorcycle, train, work from home	DESNZ	2024
End-of-life treatment of sold products	Biowaste	DESNZ	2024

[AR39b]

Within Scope 3, the Group calculated emissions for material categories, taking into account the size of the Scope 3 emissions, as well as the availability of data, the funds incurred and the importance to the business.

Category	Description	Inclusion in the carbon footprint	Reason for not including in the calculation
Purchased goods and services	Mining, production and transport of purchased goods and services.	Included	N/A
Capital goods	The extraction, production and transport of fixed assets purchased or acquired by a reporting company.	Included	N/A
Fuel and energy related activities (not included in Scope 1 or 2)	The extraction, production, and transportation of fuels and energy that are not included in Scope 1 or Scope 2. In this report, these emissions are also referred to as WTT and T&D emissions (hereinafter referred to as 'WTT and T&D').	Included	N/A
Transport and distribution	Transportation and distribution of purchased products between Scope 1 suppliers and the reporting company, T&D services purchased by the reporting company (e.g., products sold), and T&D between its own facilities (always in vehicles and facilities not owned or controlled by the company).	Included	N/A
Waste generation in operations	Disposal and management of waste generated at the company's premises (in facilities that are not owned or controlled by the reporting company).	Included	N/A
Business trips	Transport of employees to business-related activities (in vehicles not owned or operated by the reporting company) and hotel stays.	Included	N/A
Employee commuting	Transporting employees between their homes and workplaces (in vehicles not owned or operated by the reporting company), working from home.	Included	N/A
Leased property – "supplier"	Operation of assets leased by the reporting company (lessee) and not included in Scope 1 and 2.	Included	N/A
Shipping & Distribution	T&D of products sold by the reporting company between the reporting company and the final consumer (if not paid for by the reporting company), including retail and warehousing (in vehicles and equipment not owned or controlled by the reporting company).	Included	Not relevant
Processing of sold products	Processing of intermediate products sold by downstream companies (e.g. manufacturers).	Included	Not relevant
Use of products sold	Final use of goods and services sold by the reporting company in the reporting year.	Included	Not relevant

Category	Description	Inclusion in the carbon footprint	Reason for not including in the calculation
End-of-life treatment of sold products	Disposal of waste and management of products sold by the reporting company (in the reporting year) at the end of their useful life.	Included	N/A
Leased property	Operation of assets owned by the reporting company (lessor) and leased to another entity that are not included in Scope 1 and 2.	Included	Not relevant
Franchise	Operating franchises in the reporting year that are not included in Scope 1 and 2 – reported by the franchisor.	Included	Not relevant
Investment	Operation of investments (including equity and debt investments and project financing) in the reporting year that are not included in Scope 1 and 2.	Included	Not relevant

[AR46j]

2.2.4.4. E1-7 – Removals and Greenhouse Gas Emission Reduction Projects Financed through Carbon Credits

The Group does not remove or store greenhouse gas emissions as part of its own activities or as part of the upstream and downstream parts of the value chain. Nor does it buy carbon credits.

[56, AR56]

2.2.4.5. E1-8 - Internal carbon pricing

Currently, the Group does not have internal systems dedicated to carbon pricing, which could have a decision-making weight in decision-making or a function of incentivising and achieving climate-related targets.

[63]

2.2.4.6. E1-9 – Expected financial impacts due to significant physical and transition risks, as well as potential climate opportunities

The group did not assess and quantify physical climate and transition risks or potential climate opportunities.

[66, 67, 69]

2.3. ESRS E2 Pollution – Pollution Management

2.3.1. Managing the impacts, risks and opportunities of environmental pollution

2.3.1.1. ESRS 2 IRO-1 — Description of procedures for the identification and assessment of significant impacts, risks and opportunities related to environmental pollution

In order to identify significant IROs in the field of environmental pollution, the Group's individual sites, own activities as well as upstream and downstream parts of the value chain were examined. For details on the environmental impacts of pollution, see [Annex 1](#).

The significant environmental impact of pollution has also been confirmed by the Stakeholder Dialogue. For information on interests and positions, see [SBM-2 Interests and Views of Stakeholders](#).

[11a, 11b]

2.3.1.2. E2-1 – Policies on Environmental Pollution

The group has no directive or policies related to the prevention and control of environmental pollution. The limits are controlled in accordance with the applicable legislation of the Slovak Republic.

[14, 15a, 15c]

An update of the emergency plan is currently underway, which will be implemented in 2025.

[AR11]

2.3.1.3. E2-2 – Measures and resources related to environmental pollution

The Group does not have measures or resources allocated to implement them on environmental pollution.

[18, AR13]

2.3.2. Metrics and targets to reduce pollution levels

2.3.2.1. E2-3 – Pollution targets

The group has no targets for environmental pollution.

[22]

2.3.2.2. E2-4 – Air, water and soil pollution

Authorized measurements of emissions of medium sources of pollution are carried out by an accredited measuring unit in a 6-year period in accordance with the applicable legislation. Measurements are taken in chimneys and gas appliances and are carried out by an external company. Legal requirements are complied with in the measurements, and the individual pollutant thresholds in 2024 have not been exceeded, nor have we seen any changes over time.

Data on natural gas consumption are read in the Group on a monthly basis. In the event that a justified measurement of emissions of medium pollution sources is carried out in a given year, its results will be taken into account, together with the amount of natural gas consumption, in the calculation of the amount of pollutants discharged. The calculation is carried out by an independent contractor. The measured values are provided by the Group to the National Emission Information System ("NEIS"). The group collects data on the following pollutants: NOx – NO2 (nitrogen dioxide), CO (carbon monoxide). Reports to the NEIS are prepared by an authorized and accredited institution, to which we will provide measurements that took place in a given year and the consumption of natural gas of individual appliances.

Cloth	Amount of substances emitted in t/year
TZL	0,366955
SO2 – Sox	0,038999
NOx – NO2	4,799733
CO	28,273363
TOC	0,417707
NH3	1,08372

There were no significant pollution incidents during 2024.

[29, 30a, 30b, 30c, 40b]

2.3.2.3. E2-6 – Expected financial impacts due to impacts, risks and opportunities related to environmental pollution

There were no significant pollution incidents during 2024. For the remaining information, the Group has decided to apply a transitional provision.

[40b]

2.4. ESRS E3 Water and Marine Resources – Water Resources Management

2.4.1. Managing the impacts, risks and opportunities of water resources

2.4.1.1. ESRS 2 IRO-1 - Description of procedures for the identification and assessment of significant impacts, risks and opportunities on water and marine resources

To identify IROs related to water and marine resources, the Group's production processes and their impact on the environment were thoroughly analyzed. The topic of Water and Marine Resources was also confirmed as important by the affected stakeholders through dialogue.

[8a, 8b]

2.4.1.2. E3-1 - Policies on water and marine resources

The Group does not have policies to manage its significant impacts, risks and opportunities related to water and marine resources.

[11, 12ai, 12aii, 12b]

2.4.1.3. E3-2 - Measures and resources related to water and marine resources

The Group has not taken or planned any measures and resources in relation to water and marine resources. No Group company is located in areas with water risk, including areas with high water stress.

[19]

2.4.2. Water Resources Metrics and Targets

2.4.2.1. E3-3 - Targets for water and marine resources

The group does not set targets related to water and marine resources.

[22, 23a, 23c, 25]

2.4.2.2. E3-4 – Water consumption

The group consumes a large amount of water in the production process during its production activities. The Group's total water consumption in 2024 was 109,928 m³.

The Group does not currently recycle or reuse water in the production process. The Group has stored drinking water in the volume of 94 m³ and fire water in the volume of 106 m³. This status represents the amount of stored water as of December 31, 2024, but this state did not change during the year.

[28a, 28c, 29c]

The Group obtains data on water consumption on the basis of direct measurements using water meters, which are controlled by the state. The quality of the water is evaluated in accredited laboratories. Currently, it does not have any internal methodologies. Water pumping is controlled or measured by regularly calibrated water meters. Once a year, consumption is reported to the institutions Slovak Hydrometeorological Institute and the Slovak Water Management Company. Sampling for laboratory analyses is carried out in accordance with the schedule of the applicable legislation.

[28e, AR29]

The water intensity is 0.0005636148 m³/EUR and has been calculated on the basis of the total water consumption for own activities of 109 928 m³ and net revenues in 2024 of EUR 195 041 000. The amount of net revenues can be found in the notes to the accounts on page 26, paragraph 16.

[29]

2.4.2.3. E3-5 – Expected financial impacts due to impacts, risks and opportunities related to water and marine resources

The group identified a financial opportunity related to water resources through measuring water consumption, comparing it with public resources and calculating savings. Thanks to our own water sources connected to our own well, we significantly reduce the cost of water, which is key in the production of our products. In this way, the Group will save costs ranging from EUR 750,000 to EUR 1.8 million over a time frame of between one and five years.

[33]

2.5. ESRS E5 Resource use and circular economy – Sustainability of the Group's operations

2.5.1. Managing the impacts, risks and opportunities of business activities

2.5.1.1. ESRS 2 IRO-1 - Description of procedures for identifying and assessing significant impacts, risks and opportunities related to resource use and the circular economy

During the evaluation of IROs, the activities and production process and their impact on the environment were thoroughly analyzed. The impact of external factors on the Group throughout the value chain was also taken into account. The decision to include the circular economy theme as significant was based on the results of the double materiality assessment process, namely IROs related to the use of recycled materials in production, hazardous waste, limiting the consumption of virgin raw materials and the recovery of secondary or renewable resources.

All significant IROs from the initial evaluation were consulted with stakeholders, which are further specified in Part [ESRS 2, SBM-2 Interests and Views of Stakeholders](#). Qualitative data from the stakeholder dialogue were systematically sorted to reveal recurring patterns and new trends. Quantitative data from the surveys were analysed to gain deeper insights and identify views that will help the Group better understand and manage its IROs.

[11a, 11b]

2.5.1.2. E5-1 - Policies related to resource use and the circular economy

The Group does not have policies in place to manage its significant IROs related to resource use and the circular economy. In the coming periods, the Group is expected to adopt policies on raw materials entering production. Policies should include confirmation from the supplier that it complies with the European Union Deforestation Regulation¹⁷.

[15a, 15b, 16]

¹⁷ REGULATION (EU) 2023/1115 of the European Parliament and of the Council of 31 May 2023 making available on the Union market and exporting certain commodities and products associated with deforestation and forest degradation and their export from the Union and repealing Regulation (EU) No 995/2010

2.5.1.3. E5-2 - Measures and resources related to resource use and the circular economy

The Group uses elements of the circular economy in the supply of raw materials, through large-capacity bags and the use of recycled components in the packaging material, thus reducing the amount of waste generated. No further measures are currently planned.

[17]

2.5.2. Metrics and targets for the sustainability of our business operations

2.5.2.1. E5-3 - Targets for resource use and the circular economy

Currently, the Group does not have targets in place related to resource use and the circular economy. On this basis, it does not even monitor the effectiveness of policies and measures.

[24a, 24b]

2.5.2.2. E5-4 – Inflow of Resources

As part of its own activities and the upstream part of the value chain, the Group considers coffee, cocoa and palm oil, which come from Brazil, Ghana, Côte d'Ivoire, Indonesia and Malaysia, to be critical resources. Soy, which is imported from European Union countries, is also a critical resource, along with paper and foil, which it uses to package products.

[30]

In 2024, the total weight of products produced was 34,384 t. The total weight of the biological materials used, the raw materials that were used in the products, was 40,945 t. The total weight of technical materials and packaging was 3,841 t. Of the total volume of materials used in 2024, biological materials accounted for 91.42% and technical materials for 8.58%.

The volume of raw materials is greater than the volume of finished products due to the production of a breakthrough in production. It is poorly processable and unprocessable, i.e. waste.

Thanks to large-capacity bags and recycled packaging materials, the Group was able to use 2,621 t of reused or recycled packaging materials, representing a 68% share of reused or recycled packaging materials.

[31a, 31b, 31c]

The methodology for calculating the inputs consumed for the production of finished products is based on calculations according to the current technical standard. The data is obtained by the Group from direct measurement.

The group does not have measures in place to determine whether there is an overlap of categories that could be double-counted for reuse and recycling.

[32, AR 25]

2.5.2.3. E5-5 – Resource Outflow

Products and materials

Almost all products of durable pastries, confectionery and chocolate products are made from cocoa, flour, sugar, milk and dairy products, vegetable fats and oils, nuts and dried fruits. The Group is not in a position to assess the durability of its products compared to the industry average for each product group. The final products are packaged in plastic packaging, which can have a negative impact on the environment if mishandled. When multiple plastics are combined, these packaging become non-recyclable. The Group's goal is to reduce food waste through the use of cuttings as intermediate products, specifically by producing animal feed from these cuttings, thereby contributing to the reduction of food waste production.

[35, 36a]

Waste

Relevant waste streams for the Group include plastic packaging waste, metal maintenance waste and municipal waste, which consists of biomass, plastics, paper, wood and metals.

The Group does not have a system in place to evaluate and classify its products for their durability, reusability, reparability, recyclability and other aspects of the circular economy. Waste data were compiled on the basis of waste reports.

[38a, 38b, 40]

The rate of recyclable content in products and packaging is 68%.

[36c]

The group produced a total of 1,576.28 tons of waste in 2024. No waste went from it for reuse. As part of the recycling, 509.32 t of non-hazardous waste ("other waste") and 3.64 t of hazardous waste were handed over¹⁸. A total of 220.05 t of other waste and 3.25 t of hazardous waste were handed over for further recovery.

Subsequently, 837.87 tons of other waste and 3.27 tons of hazardous waste were disposed of. Waste intended for incineration accounted for 4.30 t of other waste and 0.07 t of hazardous waste. 833.57 t of other waste and 2.53 t of hazardous waste ended up in the landfill, and 0.68 t of hazardous waste was disposed of in another way. The group generated hazardous waste in the volume of 10.17 tons.

The total amount of the percentage of non-recycled waste represents 53.51% of the total waste.

[37, 39]

2.5.2.4. E5-6 - Expected financial impacts due to impacts, risks and opportunities related to resource use and the circular economy

The group was unable to quantify the expected financial impacts in relation to resource use and the circular economy. For quantitative disclosure, the Group has decided to apply a transitional provision and does not disclose that information.

¹⁸ According to Decree No. 365/2015 Coll., the Decree of the Ministry of the Environment of the Slovak Republic, establishing the Waste Catalogue

3. Social information

3.1. ESRS S1 Own workforce – How we take care of our employees

3.1.1. The strategy of our approach to employees

3.1.1.1. ESRS 2 SBM-3 – Significant impacts, risks and opportunities and their interaction with the strategy and business model

The Group currently does not have strategies and business models in place that would be associated with actual or potential impacts on its own workforce.

Significant IROs were identified after a thorough analysis of the entire Group and the specifics of individual companies, including a business model analysis. Individual IROs are reflected in the Group's strategy and business model, with some risks and opportunities arising directly from impacts on or dependencies on its own workforce. A more detailed description of the connection of individual IROs to the strategy and business model can be found in Appendix 1.

As part of the identification of impacts, the Group has included all its employees, including non-employees.

In the case of significant negative impacts on one's own workforce, these impacts relate to individual incidents, namely the potential risk of injury. Risk has been identified as a risk that arises for manufacturing companies. It does not apply to specific employees performing specific activities, but to the entire workforce.

Training programs for employees are provided throughout the Group. The group has developed the necessary directive to support education, which describes the entire educational process from the identification of needs to the evaluation of education. The group provides the opportunity for personal development and education to develop skills.

No significant risks and opportunities were identified that would arise from the impacts on their own workforce. An experienced workforce is key for the Group. In the case of confectionery production, the Group observes a trend of an ageing workforce. In the event that the Group fails to recruit new workers in this area, the production of rock lollipops is at risk, in the production of which the creation of decorative patterns is crucial. If the production of this product is threatened, there is a risk of a decline in revenues within the Group.

[10a,b, 11a, 13, 14, 15]

3.1.2. Managing employee impacts, risks and opportunities

3.1.2.1. S1-1 - Policies on own workforce

The Group does not have policies in place to manage its significant impacts, risks and opportunities related to its own workforce. The timetable for the implementation of the policy is during 2025.

The Group accepts the wider interests of its stakeholders, including employees at the local level. At the same time, it complies with the UN Trade and Human Rights Guidelines and the OECD Guidelines for Multinational Enterprises. The Group takes into account and respects the rights of interested parties arising from legal provisions (in particular labour law, commercial law, environmental law) in its business.

At present, the Group does not have defined measures to provide remedies in relation to human rights impacts.

[19, 20, 21]

For policies to prevent accidents in the workplace, the Occupational Health and Safety Directive applies. At the same time, the Group also provides its employees with mandatory initial and repeated training in this area.

[23]

The group is governed by the currently valid legislation establishing the prohibition of discriminatory conduct in the countries in which it operates. No policy currently regulates the prevention and mitigation of discrimination or the adoption of action after discrimination has been detected.

Within the framework of the internal code of ethics, it is defined that the Group hires employees on the basis of competence without any religious, national or racial discrimination, regardless of skin color, age or gender. Each employee is obliged to behave in accordance with the rules and principles of mutual trust and cooperation, protect the interests of the company and respect their colleagues. This Code of Ethics governs the entire Group. The Code of Conduct is available to interested parties upon request.

[24a, 24d]

3.1.2.2. S1-2 - Processes for the involvement of own workers and workers' representatives in relation to impacts

The Group does not have a defined process to manage the identified significant actual and potential impacts, namely to promote positive impacts and eliminate negative impacts. Therefore, the opinions of the Group's employees are not involved and taken into account in the management of these impacts. Trade unions represent workers' representatives and are part of the process of creating and modifying a collective agreement or remuneration rules. The Group does not assess the results resulting from any agreements with workers' representatives. The Group plans to engage its own workforce in sharing opinions, especially those that may be particularly vulnerable to impacts or represent vulnerable groups, by implementing questions related to these groups in the satisfaction survey from 2025, when the Group acquires a new parent company.

[27 a, 27b, 27c, 27d, 27e, 28, 29]

3.1.2.3. S1-3 – Processes to remediate negative impacts and channels for employees to express concerns

The Group does not currently have defined processes to remedy the negative impacts. Employees of the parent company may submit complaints in accordance with Act No. 54/2019 Coll. on the Protection of Whistleblowers¹⁹ orally, electronically or by post. Employees can find more information in the internal directive of the parent company Internal System for Recording Notifications P 03.07. The incentive system is handled by a responsible person appointed by the parent company.

In the subsidiary I.D.C. Praha, a.s., employees have the opportunity to report anti-social activities directly via the <https://idcpraha.whistlelink.com/> website. The Service is provided by a third party.

A responsible person is appointed in the parent company to handle complaints from employees, who is obliged to receive and verify each notification within 90 days of its receipt, with the possibility of extending this period by another 30 days in specific cases. The mechanism defines that confidentiality about the identity of the whistleblower must be maintained, and the rights and obligations of the responsible person and employees are defined. This mechanism also applies to whistleblowers who are not in an employment relationship with the company.

The availability of these channels is communicated as part of the recruitment process. The directive is also communicated through the parent company's bulletin boards, along with the designation of the complaints mailbox. The parent company checks whether newly hired employees have been trained on the possibility of filing a complaint, as well as on the marking of mailboxes.

The parent company does not regularly assess and verify whether employees are familiar with the structure and the process of filing complaints. The Group stipulates in the Directive that the submission of a legitimate report must not become an incentive or a reason to draw consequences that would cause harm to the whistleblower in the employment relationship.

[32]

¹⁹ Act on the Protection of Whistleblowers, No. 54/2019 Coll.

3.1.2.4. S1-4 – Taking measures on significant impacts on one's own workforce and approaches to mitigating significant risks and taking advantage of significant opportunities related to one's own workforce and the effectiveness of these measures

The Group has not yet taken any concrete measures or actions on the significant impacts of risks and opportunities.

[37, 38, 39, 40, 41, 43, AR42, AR43]

3.1.3. Metrics and targets for the well-being of our employees

3.1.3.1. S1-5 – Targets for managing significant adverse impacts, promoting positive impacts and managing significant risks and opportunities

The Group does not have targets to manage significant impacts, risks and opportunities. It plans to set targets in 2025.

[46]

3.1.3.2. S1-6 – Characteristics of the company's employees

The total number of permanent employees according to the number of employees method, converted into average staff, is 1 193. The table breaks down the number of employees by gender and by country. The number of employees did not include employees on maternity and parental leave.

Landscape	Women	Men	Together
Slovak Republic	615	368	983
Czech Republic*	34	17	51
Hungary	17	6	23
Poland	41	47	88
Together	707	438	1 145

* The total number of employees combined in this table does not match the actual total number of employees (1,193) in the table below. The data for the Czech Republic when dividing the number of employees into men and women represent only data for December 2024 due to the non-functionality of the information system at the time of data compilation. The average annual number of employees in the Czech Republic based on the number of employees was 99. At the time of compilation, the Group was not able to obtain data on employees broken down by gender and gender.

In Slovakia, we also have workers who are not employees of the Company, and in 2024 we had an average of 24 personnel leasing employees available, of which 16 were women and 8 men.

The data presented in the table can be found in the Consolidated Annual Report for 2024 on page 20.

[50a, 50f]

The table breaks down the total number of employees according to whether they are permanent or temporary staff, with the data converted to average numbers based on the number of staff method. The group does not keep records of employees with a non-guaranteed number of working hours, nor does it have divided employees into full-time and part-time work.

Women	Men	OTHER	UNDISCLOSED	Together*
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Number of employees (number of employees)				
723	446	0	0	1 169
Number of permanent staff (number of employees)				
707	438	0	0	1 145
Number of temporary agents (number of employees)				
16	8	0	0	24
Number of employees per non-guaranteed number of hours (number of employees)				
0	0	0	0	0
Number of full-time employees (number of employees)				
0	0	0	0	0
Number of part-time employees (number of employees)				
0	0	0	0	0

* The total number of employees in total is influenced by the data for the Czech Republic, when only employees for December were included in the calculation of the distribution of employees into women and men due to a malfunction of the information system at the time of data collection.

Slovak Republic	Czech Republic	Hungary	Poland	Together
Number of employees (number of employees)				
1 007	99	23	88	1 217
Number of permanent staff (number of employees)				
983	99	23	88	1 193
Number of temporary agents (number of employees)				
24	0	0	0	24
Number of employees per non-guaranteed number of hours (number of employees)				
0	0	0	0	0
Number of full-time employees (number of employees)				
0	0	0	0	0
Number of part-time employees (number of employees)				
0	0	0	0	0

Employees with permanent employment were employees with an employment contract for an indefinite period of time. Temporary employees included employees working on personnel leasing.

[50b]

In 2024, 235 employees left the Group and the following turnover was recorded in permanent employees:

Landscape	Slovak Republic	Czech Republic	Hungary	Poland
Turnover	20,96 %	18,86 %	11,63 %	14,84 %
Number of departures	207	13	2	13

For temporary employees, the turnover reached 516.66%. The high turnover of temporary employees is mainly due to the fact that it is mainly a short-term personnel lease, often in the range of only a few days.

[50c]

The data reported in the tables were compiled on the basis of the method of the number of employees at the end of the reporting period, i.e. 31 December 2024, as an average over the reporting period. Employees who represent employees of the Group's own workforce and are controlled by the Group, as well as employees on personnel leasing, were included. The number does not include employees on maternity, paternity and parental leave. The data were obtained from the Group's information system. The level of unemployment and possible employment opportunities in competing companies have an impact on the number of our employees.

[50d, 50e]

3.1.3.3. S1-14 – Health and Safety Metrics

The Group complies with all occupational safety and health ("OSH") legislation. All employees of their own workforce are covered by the company's health and safety management system, which is regulated by the OHS regulation. All accidents at work are consistently recorded by the Group, with 151 accidents at work recorded in 2024, for which 440 days were not worked by the Group's employees. In 2024, no work-related accident or poor health condition ended in death. The rate of demonstrable accidents at work for 2024 per 1,000,000 hours worked is 99.48.

[88a, 88b, 88c, 88e]

3.1.3.4. S1-17 - Incidents, complaints and serious impacts on human rights

In 2024, there were no complaints and no serious human rights impacts within their own workforce, including discrimination and harassment. Thus, there were no sanctions, fines or compensations for incidents.

[102, 103]

3.2. ESRS S2 Value Chain Workers – Our Value Chain

3.2.1. A strategy for workers in our value chain

3.2.1.1. ESRS 2 SBM-3 – Significant impacts, risks and opportunities and their interaction with the strategy and business model

The Group does not have a description of the types of workers in the value chain that it could significantly influence, including impacts that are related to our activities, the value chain or through our products.

In the dialogue with them, several stakeholders expressed that the topic of ESRS S2 Value Chain Workers is important to them. Based on these facts, IROs related to workers in the value chain were identified and assessed. A detailed description of significant IROs for this area is contained in [Appendix 1](#), including their interconnection and consideration in the Group's business model or strategy. In the event that risks or opportunities have been identified based on dependencies, this relationship is defined in [Appendix 1](#), under Risks and Opportunities.

The Group is not in a position to assess whether all workers in the value chain are included in the identified significant IROs, given that there is insufficient data to briefly describe the different types of workers in the value chain. The impacts have been identified as part of the company's own activity, which requires workers working upstream in the value chain. Impacts have been identified in employees working in cocoa and palm oil cultivation, as child and forced labor occur, especially in local conditions. The Group manages this impact by collaborating with global producers of palm fats and cocoa components, who are global leaders and suppliers of sustainable products for the food industry. These topics are contained in the codes of ethics of the Group's suppliers, including major manufacturers or distributors of raw materials. Suppliers have published codes of ethics on their websites or are available to the Group on request.

[10, 11, 12]

3.2.2. Managing the impacts, risks and opportunities of workers in our value chain

3.2.2.1. G2-1 - Policies related to workers in the value chain

The group has not yet elaborated and defined human rights policy commitments that are relevant to workers in the value chain. This includes processes and mechanisms to monitor compliance with the UN Guiding Principles on Business and Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. In its publication, the Group focused on the aspects that are relevant in relation to these facts, as well as on our general approach to these issues, including respect for human rights and workers' labour rights. The only policy that the Group has in relation to workers in the value chain is the Code of Conduct for Suppliers of Critical Raw Materials.

[16, 17a, 17b, 17c, 18, ESRs 2, SBM-3: 11c]

3.2.2.2. S2-2 - Processes for the involvement of workers in the value chain in relation to impacts

In connection with the management of potential or actual impacts on workers in the value chain, the Group works directly with the suppliers of individual raw materials, products or services. Through a code of ethics for suppliers, it ensures that there are no violations of their human rights. In the future, the Group plans to conduct a satisfaction survey of workers in the value chain, who might be particularly vulnerable to impacts, or a survey of the satisfaction of marginalized groups of workers in the value chain.

[22a, 23]

The Group plans to gradually introduce policies related to the topic of workers in the value chain from 2025 as part of the new parent company.

[24]

3.2.2.3. S2-3 - Processes to remediate negative impacts and channels for workers in the value chain to raise concerns

The Group does not have defined processes in providing remediation for injuries to workers in the value chain that have been identified as indirect negative impacts. There are no channels for workers in the value chain to express their concerns about negative impacts on them directly to the Group. Although the Group works with suppliers, producers and distributors who have codes of ethics in place, it does not have any processes through which it requires the availability of channels to raise concerns. The Group does not have track and monitor of injuries that occur to workers in the value chain.

[27, 29]

3.2.2.4. S2-4 - Taking measures on material impacts on workers in the value chain and approaches to managing significant risks and taking advantage of significant opportunities related to workers in the value chain and the effectiveness of these measures

In 2024, no measures have been taken or initiatives have been put in place to prevent or to provide or enable remedies of the Group's indirect negative impact on workers in the value chain, nor are there plans for any measures or initiatives that could prevent such impact. Currently, there are no defined processes for managing negative impacts.

[32, 38]

Given that the Group has no impact on employers of workers in the value chain, who may experience material adverse impacts that the risk of injury poses to the Group, the Group has no defined measure or procedure for taking measures through which it could respond to an actual or potential negative impact. For the same reason, it cannot otherwise ensure that processes are available to provide or enable remedies in the event of significant negative impacts, while at the same time ensuring that their implementation and results are effective.

[33]

The Group also does not currently have any measures in place or planned to mitigate the material risks arising from its impacts on and dependencies on workers in the value chain.

[34]

Through the implementation of the Code of Ethics for Suppliers of Critical Raw Materials, the Group strives to prevent significant negative impacts in its relations with suppliers, producers and distributors within the procurement process. The group does not currently track whether serious human rights issues and incidents related to workers in the value chain have been reported.

[35, 36]

3.2.3. Metrics and targets related to the workers in our value chain

3.2.3.1. S2-5 - Targets for managing significant adverse impacts, promoting positive impacts and managing material risks and opportunities

As the Group does not currently have any measures or plans in place to take measures to manage significant IROs related to workers in the value chain, it does not have targets in place to manage significant impacts, risks and opportunities in relation to workers in the value chain.

[41, 42]

3.3. ESRS S4 Consumers and end-users - Final consumers

3.3.1. A strategy that affects our consumers

3.3.1.1. ESRS 2 SBM-3 – Significant impacts, risks and opportunities and their interaction with the strategy and business model

The group identified a potential negative impact on consumers, specifically increased consumption of sugar-sweetened foods increases the risk of cardiovascular disease and type 2 diabetes. Diets high in red and processed meats, confectionery, sugary drinks, refined grains, desserts, and potatoes are associated with a higher risk of health diseases. The Group has food product safety certificates, but in the event of the sale of contaminated products, there is a risk of monetary loss of the Group due to a possible lawsuit for harm to the health of end consumers and endangered reputation.

At present, the Group does not have a defined description of the specific types of consumers of end products who are exposed to significant impacts through their own operations or value chain that are harmful to humans or increase the risk of chronic diseases or other health harm.

The Group does not currently have an established interaction of significant impacts, risks and opportunities with the strategy and business model.

[9a, 9b, 10a, 10c, 10d, 11, 12]

3.3.2. Managing impacts, risks and opportunities for final consumers

3.3.2.1. S4-1 - Consumer and End-User Policies

The Group does not have any policies in place to manage significant impacts, risks and opportunities related to consumers or end-users.

[15, 16, 17]

3.3.2.2. S4-2 - Processes to engage consumers and end-users in relation to impacts

At present, the Group does not take into account the views of consumers or end-users in decisions or actions aimed at managing actual or potential impacts on consumers or end-users. It does not engage directly with affected consumers or end-users, nor with their legitimate representatives who have an overview of their situation.

In connection with the identified negative impact on consumers, the Group currently has an indication of the composition of the product on each product packaging and the recommended daily dose is also indicated on some packaging. As a manufacturer, the Group does not yet enter into a direct dialogue with consumers.

The Group plans to gradually introduce a general process for consumer engagement from 2025, when it becomes part of the new parent company.

[20a, 20b, 20c, 20d, 21, 22]

3.3.2.3. G4-3 - Processes to remediate negative impacts and channels through which consumers and end-users can raise concerns

Consumers can address their concerns or needs to the parent company via the email address provided on its website and on all product packaging for the best possible accessibility. Subsequently, after receiving information about the negative impact of the Group, the Group follows the applicable directive "Complaint Resolution and Corrective and Preventive Activities", which covers the management of defined mailboxes and the subsequent resolution of suggestions and complaints. The Group does not have a general approach and processes in place to provide, contribute to or assess its effectiveness.

At this time, the Group does not verify and assess whether consumers or end customers know and trust the structures and processes for reporting and addressing their concerns and needs. There is no policy in place to protect individuals from retaliation. However, the group has no influence on the final consumers and it is not possible for it to retaliate.

[25a, 25b, 25c, 25d, 26]

3.3.2.4. S4-4 - Taking measures on significant impacts on consumers and end-users, approaches to managing significant risks and seizing significant opportunities related to consumers and end-users, and the effectiveness of these measures and approaches

At present, the Group does not have action plans, resources, processes in place or measures planned or taken to manage and prevent or mitigate significant negative impacts on consumers and end-users. The Group also has no other measures or initiatives taken with the main objective of contributing positively to improving social outcomes for consumers and/or end-users.

Nor does the Group yet have processes in place to identify what measures are necessary and appropriate in response to a specific actual or potential negative impact on consumers and end-users.

The Group does not record reports or serious human rights issues or incidents related to consumers or end-users.

[30, 31, 32, 33, 34, 35, 37]

3.3.3. Metrics and targets related to end consumers

3.3.3.1. S4-5 - Targets for managing significant adverse impacts, promoting positive impacts and managing significant risks and opportunities

At present, the Group does not have specific objectives for consumers and end-users. For this reason, it is also unable to monitor the effectiveness of policies and measures through the objectives set.

[40, 41]

ESRS Index

Area	Notability/Reference
General information	
ESRS 2	-
BP-1	BP-1 – General basis for the preparation of the sustainability statement
BP-2	BP-2 – Disclosure of information in relation to special circumstances
GOV-1	GOV-1 – The role of administrative, management and supervisory bodies
GOV-2	GOV-2 – Information provided to the administrative, management and supervisory bodies of an undertaking and sustainability aspects dealt with by these bodies
GOV-3	GOV-3 - Integration of sustainability-related performance into incentive schemes and sustainability considerations addressed by these authorities
GOV-4	GOV-4 - Due Diligence Statement
GOV-5	GOV-5 – Risk management and internal controls in the field of sustainability reporting
SBM-1	SBM-1 Strategy, Business Model and Value Chain
SBM-2	SBM-2 Interests and Views of Stakeholders
SBM-3	SBM-3 Significant Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model
IRO-1	IRO-1 – Description of the procedures for identifying and assessing significant impacts, risks and opportunities
IRO-2	IRO-2 – Disclosure requirements in ESRS standards covered by the company's sustainability statement
Environmental information	
E1	Significant
ESRS 2 GOV-3	ESRS 2 GOV-3 Integration of sustainability-related performance into incentive schemes
E1-1	E1-1 – Transition Plan for Climate Change Mitigation
ESRS 2 SBM-3	ESRS 2 SBM-3 – Significant impacts, risks and opportunities and their interaction with the strategy and business model
ESRS 2 IRO-1	ESRS 2 IRO-1 - Description of procedures for the identification and assessment of significant impacts, risks and opportunities on water and marine resources
E1-2	E1-2 - Climate change mitigation and adaptation policies
E1-3	E1-3 - Measures and resources related to climate change policies
E1-4	E1-4 – Targets for climate change mitigation and adaptation
E1-5	E1-5 – Energy consumption and energy mix
E1-6	E1-6 – Scope 1, 2, 3 gross emissions and total greenhouse gas emissions
E1-7	E1-7 – Removals and Greenhouse Gas Emission Reduction Projects Financed through Carbon Credits
E1-8	E1-8 - Internal carbon pricing
E1-9	We apply a transitional provision

Area	Notability/Reference
E2	Significant
E2-1	E2-1 – Policies on Environmental Pollution
E2-2	E2-2 – Measures and resources related to environmental pollution
E2-3	E2-3 – Pollution targets
E2-4	E2-4 – Air, water and soil pollution
E2-6	We apply a transitional provision
E3	Significant
E3-1	E3-1 - Policies on water and marine resources
E3-2	E3-2 - Measures and resources related to water and marine resources
E3-3	E3-3 - Targets for water and marine resources
E3-4	E3-4 – Water consumption
E3-5	E3-5 – Expected financial impacts due to impacts, risks and opportunities related to water and marine resources
E4	Insignificant
E5	Significant
E5-1	E5-1 - Policies related to resource use and the circular economy
E5-2	E5-2 - Measures and resources related to resource use and the circular economy
E5-3	E5-3 - Targets for resource use and the circular economy
E5-4	E5-4 – Inflow of Resources
E5-5	E5-5 – Resource Outflow
E5-6	E5-6 - Expected financial impacts due to impacts, risks and opportunities related to resource use and the circular economy
Social information	
S1	Significant
ESRS 2 SBM-2	SBM-2 Interests and Views of Stakeholders
ESRS 2 SBM-3	ESRS 2 SBM-3 – Significant impacts, risks and opportunities and their interaction with the strategy and business model
S1-1	S1-1 - Policies on own workforce
S1-2	S1-2 - Processes for the involvement of own workers and workers' representatives in relation to impacts
S1-3	S1-3 – Processes to remediate negative impacts and channels for employees to express concerns
S1-4	S1-4 – Taking measures on significant impacts on one's own workforce and approaches to mitigating significant risks and taking advantage of significant opportunities related to one's own workforce and the effectiveness of these measures
S1-5	S1-5 – Targets for managing significant adverse impacts, promoting positive impacts and managing significant risks and opportunities

Area	Notability/Reference
S1-6	S1-6 – Characteristics of the company's employees
S1-7	We apply a transitional provision
S1-8	Insignificant
S1-9	Insignificant
S1-10	Insignificant
S1-11	We apply a transitional provision
S1-12	Insignificant
S1-13	We apply a transitional provision
S1-14	We apply a transitional provision
S1-15	Insignificant
S1-16	Insignificant
S1-17	S1-17 - Incidents, complaints and serious impacts on human rights
S2	Significant
ESRS 2 SBM-2	SBM-2 Interests and Views of Stakeholders
ESRS 2 SBM-3	ESRS 2 SBM-3 – Significant impacts, risks and opportunities and their interaction with the strategy and business model
S2-1	G2-1 - Policies related to workers in the value chain
S2-2	S2-2 - Processes for the involvement of workers in the value chain in relation to impacts
S2-3	S2-3 - Processes to remediate negative impacts and channels for workers in the value chain to raise concerns
S2-4	S2-4 - Taking measures on material impacts on workers in the value chain and approaches to managing significant risks and taking advantage of significant opportunities related to workers in the value chain and the effectiveness of these measures
S2-5	S2-5 - Targets for managing significant adverse impacts, promoting positive impacts and managing material risks and opportunities
S3	Insignificant
S4	Significant
ESRS 2 SBM-2	[Add a link to part ESRS 2 where you mention this information for part S]
ESRS 2 SBM-3	ESRS 2 SBM-3 – Significant impacts, risks and opportunities and their interaction with the strategy and business model
S4-1	S4-1 - Consumer and End-User Policies
S4-2	S4-2 - Processes to engage consumers and end-users in relation to impacts
S4-3	G4-3 - Processes to remediate negative impacts and channels through which consumers and end-users can raise concerns
S4-4	S4-4 - Taking measures on significant impacts on consumers and end-users, approaches to managing significant risks and seizing significant opportunities related to consumers and end-users, and the effectiveness of these measures and approaches

Area	Notability/Reference
S4-5	S4-5 - Targets for managing significant adverse impacts, promoting positive impacts and managing significant risks and opportunities
Governance Information	
G1	Insignificant

Data points resulting from other EU legislation according to Appendix B to ESRS 2

Disclosure requirement and related data point	Reference to the Regulation on sustainability disclosures in the financial services sector	Pillar 3 reference	Reference to the Benchmark Regulation	Reference to the EU Climate Law	Notability/Reference
ESRS 2 GOV-1 Gender diversity on the Board, paragraph 21(d)	Indicator 13 in Table 1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		GOV-1 – The role of administrative, management and supervisory bodies
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21(e)			Delegated Regulation (EU) 2020/1816, Annex II		GOV-1 – The role of administrative, management and supervisory bodies
ESRS 2 GOV-4 Due Diligence Statement, paragraph 30	Indicator 10 in Table 3 of Annex 1				GOV-4 - Due Diligence Statement
ESRS 2 SBM-1 Participation in activities related to fossil fuel activities, paragraph 40(d)(i)	Indicator 4 in Table 1 of Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on environmental risk and Table 2: Qualitative information on social risk	Delegated Regulation (EU) 2020/1816, Annex II		Insignificant
ESRS 2 SBM-1 Participation in activities related to chemical production, paragraph 40(d)(ii)	Indicator 9 in Table 2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Insignificant
ESRS 2 SBM-1 Participation in activities related to controversial weapons, paragraph 40(d)(iii)	Indicator 14 in Table 1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1), Delegated Regulation (EU) 2020/1816, Annex II		Insignificant
ESRS 2 SBM-1 Participation in activities related to tobacco cultivation and production, paragraph 40(d)(iv)			Delegated Regulation (EU) 2020/1818, Article 12(1), Delegated Regulation (EU) 2020/1816, Annex II		Insignificant
ESRS E1-1 Transition Plan for 2050 Climate Neutrality, paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	E1-1 – Transition Plan for Climate Change Mitigation

Disclosure requirement and related data point	Reference to the Regulation on sustainability disclosures in the financial services sector	Pillar 3 reference	Reference to the Benchmark Regulation	Reference to the EU Climate Law	Notability/Reference
ESRS E1-1 Undertakings excluded from the application of Paris-aligned benchmarks, paragraph 16(g)		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 template 1: Banking book – Transition risk related to climate change: credit quality of exposures by sector, issue and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12(1), points (d) to (g), and Article 12(2)		E1-1 – Transition Plan for Climate Change Mitigation
ESRS E1-4 Greenhouse gas emission reduction targets, paragraph 34	Indicator 4 in Table 2 of Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 template 3: Banking book – Transition risk related to climate change: alignment metric	Delegated Regulation (EU) 2020/1818, Article 6		E1-4 – Targets for climate change mitigation and adaptation
ESRS E1-5 Fossil energy consumption broken down by source (high climate impact sectors only), paragraph 38	Indicator 5 in Table 1 and Indicator 5 in Table 2 of Annex 1				E1-5 – Energy consumption and energy mix
ESRS E1-5 Energy consumption and energy mix, paragraph 37	Indicator 5 in Table 1 of Annex 1				E1-5 – Energy consumption and energy mix
ESRS E1-5 Energy performance related to activities in sectors with a high climate impact, paragraphs 40 to 43	Indicator 6 in Table 1 of Annex 1				E1-5 – Energy consumption and energy mix
ESRS E1-6 Scope 1, 2, 3 Gross Emissions and Total Greenhouse Gas Emissions, paragraph 44	Indicators 1 and 2 in Table 1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 template 1: Banking book – Transition risk related to climate change: credit quality of exposures by sector, issue and residual maturity	Delegated Regulation (EU) 2020/1818, Articles 5(1), 6 and 8(1)		E1-6 – Scope 1, 2, 3 gross emissions and total greenhouse gas emissions

Disclosure requirement and related data point	Reference to the Regulation on sustainability disclosures in the financial services sector	Pillar 3 reference	Reference to the Benchmark Regulation	Reference to the EU Climate Law	Notability/Reference
ESRS E1-6 Gross greenhouse gas emissions, paragraphs 53 to 55	Indicator 3 in Table 1 of Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 template 3: Banking book – Transition risk related to climate change: alignment metric	Delegated Regulation (EU) 2020/1818, Article 8(1)		E1-6 – Scope 1, 2, 3 gross emissions and total greenhouse gas emissions
ESRS E1-7 Removals of greenhouse gases and carbon credits, paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	E1-7 – Removals and Greenhouse Gas Emission Reduction Projects Financed through Carbon Credits
ESRS E1-9 Exposure of the reference portfolio to climate-related physical risks, paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II; Delegated Regulation (EU) 2020/1816, Annex II		E1-9 – Expected financial impacts due to significant physical and transition risks, as well as potential climate opportunities
ESRS E1-9 Breakdown of monetary amounts by acute and chronic physical risk, paragraph 66(a) ESRS E1-9 Location of significant assets at risk of significant physical risk, paragraph 66(c)		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Template 5: Banking book – Physical risk related to climate change: exposures to physical risk.			E1-9 – Expected financial impacts due to significant physical and transition risks, as well as potential climate opportunities
ESRS E1-9 Breakdown of the carrying amount of immovable property by energy efficiency classes, paragraph 67(c)		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraph 34; Template 2: Banking book – Climate-related transition risk: loans collateralised in the form of immovable property – Energy efficiency of collateral			E1-9 – Expected financial impacts due to significant physical and transition risks, as well as potential climate opportunities
ESRS E1-9 Degree of exposure of the portfolio to climate events, paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		E1-9 – Expected financial impacts due to significant

Disclosure requirement and related data point	Reference to the Regulation on sustainability disclosures in the financial services sector	Pillar 3 reference	Reference to the Benchmark Regulation	Reference to the EU Climate Law	Notability/Reference
					physical and transition risks, as well as potential climate opportunities
ESRS E2-4 Quantities of individual pollutants listed in Annex II to the E-PRTR (European Pollutant Release and Transfer Register) Regulation that are emitted into air, water and soil, paragraph 28	Indicator 8 in Table 1 of Annex 1, Indicator 2 in Table 2 of Annex 1, Indicator 1 in Table 2 of Annex 1, Indicator 3 in Table 2 of Annex 1				E2-4 – Air, water and soil pollution
ESRS E3-1 Water and marine resources, paragraph 9	Indicator 7 in Table 2 of Annex 1				E3-1 - Policies on water and marine resources
ESRS E3-1 Specific Policy, paragraph 13	Indicator 8 in Table 2 of Annex 1				
ESRS E3-1 Sustainable Oceans and Seas, paragraph 14	Indicator 12 in Table 2 of Annex 1				E3-1 - Policies on water and marine resources
ESRS E3-4 Total amount of water recycled and reused, paragraph 28(c)	Indicator 6.2 in Table 2 of Annex 1				E3-4 – Water consumption
ESRS E3-4 Total water consumption in m ³ for net own income, paragraph 29	Indicator 6.1 in Table 2 of Annex 1				E3-4 – Water consumption
ESRS 2 – IRO 1 – E4 paragraph 16(a)(i)	Indicator 7 in Table 1 of Annex 1				Insignificant
ESRS 2 – IRO 1 – E4, paragraph 16(b)	Indicator 10 in Table 2 of Annex 1				Insignificant
ESRS 2 – IRO 1 – E4, paragraph 16(c)	Indicator 14 in Table 2 of Annex 1				Insignificant
ESRS E4-2 Agricultural/Agricultural Sustainability Practices or Policies, paragraph 24(b)	Indicator 11 in Table 2 of Annex 1				Insignificant
ESRS E4-2 Practices or policies for sustainable oceans/seas, paragraph 24(c)	Indicator 12 in Table 2 of Annex 1				Insignificant

Disclosure requirement and related data point	Reference to the Regulation on sustainability disclosures in the financial services sector	Pillar 3 reference	Reference to the Benchmark Regulation	Reference to the EU Climate Law	Notability/Reference
ESRS E4-2 Policies to address deforestation, paragraph 24(d)	Indicator 15 in Table 2 of Annex 1				Insignificant
ESRS E5-5 Non-recycled waste, paragraph 37(d)	Indicator 13 in Table 2 of Annex 1				E5-5 – Resource Outflow
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Indicator 9 in Table 1 of Annex 1				E5-5 – Resource Outflow
ESRS 2 – SBM3 – S1 Risk of forced labour incidents, paragraph 14(f)	Indicator 13 in Table 3 of Annex I				ESRS 2 SBM-3 – Significant impacts, risks and opportunities and their interaction with the strategy and business model
ESRS 2 – SBM3 – S1 Risk of incidents of child labour, paragraph 14(g)	Indicator 12 in Table 3 of Annex I				ESRS 2 SBM-3 – Significant impacts, risks and opportunities and their interaction with the strategy and business model
ESRS S1-1 Human Rights Policy Commitments, paragraph 20	Indicator 9 in Table 3 and Indicator 11 in Table 1 of Annex I				S1-1 - Policies on own workforce
ESRS S1-1 Due Diligence Policies for Issues Addressed by the International Labour Organization's Core Conventions 1-8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		S1-1 - Policies on own workforce
ESRS S1-1 Processes and Measures to Prevent Trafficking in Human Beings, paragraph 22	Indicator 11 in Table 3 of Annex I				Insignificant
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	Indicator 1 in Table 3 of Annex I				S1-1 - Policies on own workforce
ESRS S1-3 Complaint/Claim Handling Mechanisms, paragraph 32(c)	Indicator 5 in Table 3 of Annex I				S1-3 – Processes to remediate negative impacts

Disclosure requirement and related data point	Reference to the Regulation on sustainability disclosures in the financial services sector	Pillar 3 reference	Reference to the Benchmark Regulation	Reference to the EU Climate Law	Notability/Reference
					and channels for employees to express concerns
ESRS S1-14 Number of deaths and number and rate of accidents at work, paragraph 88(b) and (c)	Indicator 2 in Table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		S1-14 – Health and Safety Metrics
ESRS S1-14 Number of days not worked due to injury, accident, death or illness, paragraph 88(e)	Indicator 3 in Table 3 of Annex I				S1-14 – Health and Safety Metrics
ESRS S1-16 Unadjusted Gender Pay Gap, paragraph 97(a)	Indicator 12 in Table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Insignificant
ESRS S1-16 Index based on excessive remuneration of the Executive Director, paragraph 97(b)	Indicator 8 in Table 3 of Annex I				Insignificant
ESRS S1-17 Incidents of Discrimination, paragraph 103(a)	Indicator 7 in Table 3 of Annex I				S1-17 - Incidents, complaints and serious impacts on human rights
ESRS S1-17 Non-compliance with the Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 104(a)	Indicator 10 in Table 1 and Indicator 14 in Table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Article 12(1)		Insignificant
ESRS 2 – SBM3 – S2 Significant risk of child labour or forced labour in the value chain, paragraph 11(b)	Indicators 12 and 13 in Table 3 of Annex I				ESRS 2 SBM-3 – Significant impacts, risks and opportunities and their interaction with the strategy and business model
ESRS S2-1 Human Rights Policy Commitments, paragraph 17	Indicator 9 in Table 3 and Indicator 11 in Table 1 of Annex 1				G2-1 - Policies related to workers in the value chain
ESRS S2-1 Policies related to workers in the value chain,	Indicators 11 and 4 in Table 3 of Annex 1				G2-1 - Policies related to workers in the value chain

Disclosure requirement and related data point	Reference to the Regulation on sustainability disclosures in the financial services sector	Pillar 3 reference	Reference to the Benchmark Regulation	Reference to the EU Climate Law	Notability/Reference
paragraph 18					
ESRS S2-1 Non-compliance with the Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 19	Indicator 10 in Table 1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Article 12(1)		G2-1 - Policies related to workers in the value chain
ESRS S2-1 Due Diligence Policies for Issues Addressed by the Fundamental Conventions of the International Labour Organization 1-8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		G2-1 - Policies related to workers in the value chain
ESRS S2-4 Human Rights Issues and Incidents Related to the Upstream and Downstream Parts of the Value Chain, paragraph 36	Indicator 14 in Table 3 of Annex 1				S2-4 - Taking measures on material impacts on workers in the value chain and approaches to managing significant risks and taking advantage of significant opportunities related to workers in the value chain and the effectiveness of these measures
ESRS S3-1 Human Rights Policy Commitments, paragraph 16	Indicator 9 in Table 3 of Annex 1 and Indicator 11 in Table 1 of Annex 1				Insignificant
ESRS S3-1 Non-compliance with the Guiding Principles on Business and Human Rights, the International Labour Organization (ILO) Principles and/or the OECD Guidelines, paragraph 17	Indicator 10 in Table 1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Article 12(1)		Insignificant

Disclosure requirement and related data point	Reference to the Regulation on sustainability disclosures in the financial services sector	Pillar 3 reference	Reference to the Benchmark Regulation	Reference to the EU Climate Law	Notability/Reference
ESRS S3-4 Human Rights Problems and Incidents, paragraph 36	Indicator 14 in Table 3 of Annex 1				Insignificant
ESRS S4-1 Consumer and end-user policies, paragraph 16	Indicator 9 in Table 3 and Indicator 11 in Table 1 of Annex 1				S4-1 - Consumer and End-User Policies
ESRS S4-1 Non-compliance with the Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 17	Indicator 10 in Table 1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Article 12(1)		S4-1 - Consumer and End-User Policies
ESRS S4-4 Human Rights Problems and Incidents, paragraph 35	Indicator 14 in Table 3 of Annex 1				S4-4 - Taking measures on significant impacts on consumers and end-users, approaches to managing significant risks and seizing significant opportunities related to consumers and end-users, and the effectiveness of these measures and approaches
ESRS G1-1 United Nations Convention against Corruption, paragraph 10(b)	Indicator 15 in Table 3 of Annex 1				Included
ESRS G1-1 Protection of whistleblowers, paragraph 10(d)	Indicator 6 in Table 3 of Annex 1				Insignificant
ESRS G1-4 Fines for Violations of Anti-Corruption and Anti-Bribery Legislation, paragraph 24(a)	Indicator 17 in Table 3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Insignificant

Disclosure requirement and related data point	Reference to the Regulation on sustainability disclosures in the financial services sector	Pillar 3 reference	Reference to the Benchmark Regulation	Reference to the EU Climate Law	Notability/Reference
ESRS G1-4 Anti-Corruption and Anti-Bribery Standards, paragraph 24(b)	Indicator 16 in Table 3 of Annex 1				Insignificant

1. Annex 1
Impacts

Name IRO	The topic of sustainability		Place in the value chain	Where in the business model IROs occur		Description of impacts	Classification of impacts			Parties
	A sustainable theme	Sub-topic/sub-topic		Specific subsidiary	Specific Country		Detailed description	Positive or Negative	Actual or Potential Impact	
	48 (h)		48 (a), 48 (c) iv	48(a)	48(a)	48 (a), 48 (c) i, ii, iv, 53 (b ii), S1: SBM-3, 10a, 11a,12,13			48 (c) iii	
Emissions from transport and production in the built-up part of the municipality	Climatic change	Climate change mitigation	Own activity	N/A	N/A	Location of the manufacturing plant Chocolate products are produced in the built-up part of the village. Truck transport has a negative impact on the population due to the generation of a large amount of emissions.	Negative impact	Real	Short term	Affected communities
Emissions from the production of dairy products	Climatic change	Climate change mitigation	Supply activity	N/A	N/A	Agriculture is one of the main sources of GHG emissions. The production of dairy products represents a high amount of emissions. When raising cattle, pasture must be available, industrial fertilizers are used. Cows are major contributors to methane emissions.	Negative impact	Real	Mid term	Environment
Electricity consumption	Climatic change	Energy	Own activity	N/A	N/A	The Group does not use a renewable energy source in its production operations. Electricity from fossil fuels has a negative impact on the environment. The	Negative impact	Real	Short term	Environment

Name IRO	The topic of sustainability		Place in the value chain	Where in the business model IROs occur		Description of impacts	Classification of impacts			Parties
	A sustainable theme	Sub-topic/sub-topic		Specific subsidiary	Specific Country		Detailed description	Positive or Negative	Actual or Potential Impact	
						production of the Group's products is energy-intensive.				
Reducing wastewater pollution	Pollution	Water pollution	Own activity	N/A	N/A	The use of a biological product containing a wide range of bacteria (10 strains of safe bacteria of the genus Bacillus) to reduce the parameters of wastewater – COD, BOD, ammonia, fats and other waste discharged into the sewage system.	Positive impact	Real	Short term	Environment
High water consumption	Water and marine Resources	Water consumption	Own activity	N/A	N/A	Production is demanding in terms of the consumption of water as an input raw material and also in terms of cleaning machines between work shifts.	Negative impact	Real	Short term	Environment
Own well	Water and marine Resources	Water abstraction	Own activity	N/A	N/A	The water source is connected to its own well (own water source) – The group pumps a large amount of water from underground sources.	Negative impact	Real	Short term	Environment
Deforestation	Circular economy	Inflow of resources, including use of resources	Supply activity	N/A	N/A	Growing cocoa and palm oil is not possible in our climatic conditions. The extraction of these raw materials is linked to the problem of deforestation, which results in the disruption of biodiversity.	Negative impact	Real	Mid term	Environment

Name IRO	The topic of sustainability		Place in the value chain	Where in the business model IROs occur		Description of impacts	Classification of impacts			Parties
	A sustainable theme	Sub-topic/sub-topic		Specific subsidiary	Specific Country		Detailed description	Positive or Negative	Actual or Potential Impact	
Deforestation	Circular economy	Inflow of resources, including use of resources	Supply activity	N/A	N/A	With deforestation, local communities lose the right conditions to grow other crops they need to survive. Many local communities rely on tropical forests, and deforestation creates a precariousness of sufficient conditions for cultivation and livelihoods.	Negative impact	Real	Mid term	Affected communities
Raw materials	Circular economy	Inflow of resources, including use of resources	Own activity	N/A	N/A	Feedstocks within the food industry face sustainability challenges. Common problems relate to the conservation of inputs, water scarcity, animal welfare, unfair employment practices and climate change.	Negative impact	Real	Short term	Other
Packaging of input raw materials	Circular economy	Inflow of resources, including use of resources	Own activity	N/A	N/A	IDC uses high-capacity bags and tanks to deliver large quantities of reusable feedstocks, reducing waste from sourcing feedstocks.	Positive impact	Real	Short term	Environment
Product Packaging	Circular economy	Outflow of resources in relation to with products and services	Own activity	N/A	N/A	Almost all products are packaged in plastic packaging, which has a negative impact on the environment if handled incorrectly. When combining several plastics, plastic packaging is non-recyclable.	Negative impact	Real	Short term	Environment

Name IRO	The topic of sustainability		Place in the value chain	Where in the business model IROs occur		Description of impacts	Classification of impacts			Parties
	A sustainable theme	Sub-topic/sub-topic		Specific subsidiary	Specific Country		Detailed description	Positive or Negative	Actual or Potential Impact	Time horizon
Processing of cuttings from the production of products	Circular economy	Outflow of resources in relation to with products and services	Own activity	N/A	N/A	IDC tries to reuse usable food waste (by-products) in production for further processing in the plant (for filling, etc.), if it is unusable in production, it can be processed for the production of animal feed, which reduces the production of food waste.	Positive impact	Real	Short term	Environment
Processing of waste from the production of products	Circular economy	Waste	Own activity	N/A	N/A	Food waste that cannot be further processed goes to a biogas plant. Food waste also includes negative impacts on land, water, labour, energy, agricultural chemicals and contributes to food insecurity.	Negative impact	Real	Short term	Environment
Reducing unemployment	Own workforce	Secure employment	Own activity	N/A	N/A	Due to the low unemployment in the region, which has been below the national average for a long time, the parent company also actively uses the services of recruitment agencies through the temporary assignment of employees. In this cooperation, it fully respects the applicable legislation and provides equal working conditions to temporarily assigned employees.	Positive impact	Real	Short term	Custom Working strength

Name IRO	The topic of sustainability		Place in the value chain	Where in the business model IROs occur		Description of impacts	Classification of impacts			Parties
	A sustainable theme	Sub-topic/sub-topic		Specific subsidiary	Specific Country		Detailed description	Positive or Negative	Actual or Potential Impact	
Possible workplace injuries	Own workforce	Health and safety	Own activity	N/A	N/A	Manufacturing companies have a higher risk of accident than non-manufacturing ones. Despite the fact that the Group complies with legislative standards, there is still a risk of accident that negatively affects employees.	Negative impact	Potential	Short term	Custom Working strength
Employee education	Own workforce	Training and skills development	Own activity	N/A	N/A	The group provides training courses for employees and has a detailed training directive in place. Education takes place through a proper educational process from the identification of learning needs to the evaluation of education. The group provides the opportunity for personal development and education to develop skills.	Positive impact	Real	Short term	Custom Working strength
Health impact of products	Consumers and End Users	Health and safety	Own activity	N/A	N/A	Increased consumption of sugar-sweetened foods causes an increased risk of cardiovascular disease. Eating a high-intake diet	Negative impact	Real	Long-term	Consumers End Users

Name IRO	The topic of sustainability		Place in the value chain	Where in the business model IROs occur		Description of impacts	Classification of impacts			Parties
	A sustainable theme	Sub-topic/sub-topic		Specific subsidiary	Specific Country		Detailed description	Positive or Negative	Actual or Potential Impact	
						of red meat, processed meats, confectionery, Sugary drinks, refined grains, desserts, potatoes are associated with a higher risk of colon cancer. Eating a diet high in candy is associated with the risk of type 2 diabetes.				
Working conditions for employees in the value chain	Workers in the value chain	Health and safety	Own activity	N/A	N/A	Workers working in the collection and processing of cocoa and palm oil work in unsafe working conditions. For IDC, these raw materials are crucial for the production of their products. Indirectly, through their value chain, they influence the working conditions of employees through the selection of companies that deal with humane conditions supported by certification. IDC suppliers are global producers of palm fats and cocoa components, they are global leaders and suppliers of sustainable products for the food industry. The topics of sustainability, child labour, forced labour and working conditions are contained in the code of ethics of the supplier IDC as well as the producer, distributor of the	Negative impact	Real	Short term	Workers in the value chain

Name IRO	The topic of sustainability		Place in the value chain	Where in the business model IROs occur		Description of impacts	Classification of impacts			Parties
	A sustainable theme	Sub-topic/sub-topic		Specific subsidiary	Specific Country		Detailed description	Positive or Negative	Actual or Potential Impact	
						raw material. The impact on workers in the value chain stems from the Group's business strategy.				
Child labour	Workers in the value chain	Other labour rights – Child labour	Own activity	N/A	N/A	When collecting and processing cocoa and palm oil, children work below the legal age of employment, with IDC having an indirect impact on the lives of these children, as cocoa and palm oil are a key raw material for them and there is a shortage of staff and weak legal protection and enforcement in the countries of their production. IDC suppliers are global producers of palm fats and cocoa components, they are global leaders and suppliers of sustainable products for the food industry. The topics of sustainability, child labour, forced labour and working conditions are contained in the code of ethics of the supplier IDC as well as the producer, distributor of the raw material.	Negative impact	Real	Short term	Workers in the value chain
Forced labor	Workers in the value chain	Other labour rights – Forced labour	Own activity	N/A	N/A	The harvesting and processing of cocoa and palm oil is carried out by employees who are forced to do this work in	Negative impact	Real	Short term	Workers in the value chain

Name IRO	The topic of sustainability		Place in the value chain	Where in the business model IROs occur		Description of impacts	Classification of impacts			Parties
	A sustainable theme	Sub-topic/sub-topic		Specific subsidiary	Specific Country		Detailed description	Positive or Negative	Actual or Potential Impact	
						inhumane conditions with low wages, with an indirect impact on the lives of these employees from IDC, as cocoa and palm oil are a key raw material for them, and there is a shortage of employees and weak legal protection and legal enforcement in the countries where they are grown. IDC suppliers are global producers of palm fats and cocoa components, they are global leaders and suppliers of sustainable products for the food industry. The topics of sustainability, child labour, forced labour and working conditions are contained in the code of ethics of the supplier IDC as well as the producer, distributor of the raw material.				

[48a, 48c i, 48c ii, 48c iii, 48c iv, 48d, 48h]

Risks and opportunities

Name IRO	The topic of sustainability		Linked with influence ?	Place in the value chain	Where in the business model IROs occur		Description of risks and opportunities	Classification of risks and opportunities		Impact on finances
	A sustainable theme	Subtopic/ Subtopic			The specific subsidiary Efficiency	Specific Country		Detailed description	Classification	
	48 (h)			48(a)	48(a)	48(a)	48 (a), 53 (b ii)		48 (d)	48 (d)
Emerging regulations	Climatic change	Climate change mitigation	Yes	Own activity	N/A	N/A	Agriculture is one of the main contributors of GHG emissions. To achieve Net Zero 2050, other regulations have been created and are being created on the basis of the Paris Agreement, which could affect the food industry and require financial investments to comply with them.	Risk	Mid term	Development
Emission regulations	Climatic change	Energy	Yes	Own activity	N/A	N/A	The European Green Deal and the EU Recovery Plan place a strong emphasis on reducing GHG emissions from energy use within buildings. The Regulation on the Energy Performance of Buildings is currently being prepared. The Directive may affect the Group's costs due to the provision of sustainable energy sources, such as the proposed installation of solar panels. When IDC analysed the possibilities of introducing solar panels, they found a low return, while the solar panels would not cover either 7% of the energy consumption of the Sered' Bakery or the energy consumption from the administrative building.	Risk	Mid term	Development

Name IRO	The topic of sustainability		Linked with influence ?	Place in the value chain	Where in the business model IROs occur		Description of risks and opportunities	Classification of risks and opportunities		Impact on finances
	A sustainable theme	Subtopic/ Subtopic			The specific subsidiary Efficiency	Specific Country		Detailed description	Classification	
	48 (h)			48(a)	48(a)	48(a)	48 (a), 53 (b ii)		48 (d)	48 (d)
Emission regulations	Climatic change	Energy	Yes	Own activity	N/A	N/A	Due to the upcoming directives and regulations, there may be downward pressure on green energy prices. With a competitive price for green energy, IDC can save on the cost of purchased energy from the use of renewable energy.	Opportunity	Mid term	Financial performance
Risk of fines for water pollution	Pollution	Water pollution	Not	Own activity	N/A	N/A	In the event that a company discharges contaminated water from production into groundwater, it risks a fine.	Risk	Long-term	Financial flows
Risk of fines for water pollution	Pollution	Water pollution	Not	Own activity	N/A	N/A	In the event of discharging polluted water beyond the contractual conditions into the common sewer, fines will be imposed on the company.	Risk	Short term	Financial flows
Increased price for water consumption	Water and marine Resources	Water consumption	Not	Own activity	N/A	N/A	The Trnava Water Company explained the increase in prices by the gradually decreasing consumption of small customers and also wholesale customers. According to her, they have reduced production processes and thus water consumption. As part of the Group's costs, the costs of consumption and sewerage have thus increased.	Risk	Short term	Financial flows

Name IRO	The topic of sustainability		Linked with influence ?	Place in the value chain	Where in the business model IROs occur		Description of risks and opportunities	Classification of risks and opportunities		Impact on finances
	A sustainable theme	Subtopic/ Subtopic			The specific subsidiary Efficiency	Specific Country		Detailed description	Classification	
	48 (h)			48(a)	48(a)	48(a)	48 (a), 53 (b ii)		48 (d)	48 (d)
Own well	Water and marine Resources	Water abstraction	Yes	Own activity	N/A	N/A	The water source is connected to its own well (own water source) – as the temperature rises, groundwater may decrease.	Risk	Short term	Financial performance
Own well	Water and marine Resources	Water abstraction	Yes	Own activity	N/A	N/A	The water source is connected to its own well (own water source) – thanks to this, IDC has reduced water costs, which is one of the important resources in the production of their products	Opportunity	Short term	Financial flows
Water tax	Water and marine Resources	Water abstraction	Not	Own activity	N/A	N/A	The approved law on VAT for groundwater abstraction will cause increased costs for IDC for water abstraction. Discharge of wastewater into groundwater should not have an impact on companies.	Risk	Short term	Financial flows
EU Deforestation Regulation	Circulations é pubs Árstvo	Inflow of resources, including use of resources	Not	Supply activity	N/A	N/A	The affected goods include cattle, cocoa, coffee, palm oil, rubber, soybeans and wood. In order to be placed on the EU market, made available or exported from the EU, these commodities must meet 3 conditions: not cause deforestation; be manufactured in accordance with the applicable legislation of the country of production; have a due diligence statement for them. The	Risk	Short term	Financial flows

Name IRO	The topic of sustainability		Linked with influence ?	Place in the value chain	Where in the business model IROs occur		Description of risks and opportunities	Classification of risks and opportunities		Impact on finances
	A sustainable theme	Subtopic/ Subtopic			The specific subsidiary Efficiency	Specific Country		Detailed description	Classification	
	48 (h)			48(a)	48(a)	48(a)	48 (a), 53 (b ii)		48 (d)	48 (d)
							fine for non-compliance with the regulation is set by individual member states, but it should be a maximum of 4% of the company's turnover in the EU. IDC is at risk of losing suppliers or reducing the number of suppliers meeting these legislative conditions.			
Changes in packaging	Circulations é pubs Árstvo	Inflow of resources, including use of resources	Not	Own activity	N/A	N/A	The European Parliament has approved measures to increase the sustainability of packaging, which will include mandatory recyclability of packaging. As a result, IDC will have to rethink its current packaging material, which it purchases and modifies for its products. This adjustment may have an impact on the Group's costs.	Risk	Long-term	Development
Changes in packaging	Circulations é pubs Árstvo	Inflow of resources, including use of resources	Not	Own activity	N/A	N/A	IDC can work with packaging manufacturers to design packaging to streamline material inputs, reducing costs, improving reputation, and reducing negative environmental impact.	Opportunity	Long-term	Development
Processing of cuttings from production	Circulations é pubs Árstvo	Outflow of resources in relation to with products and services	Not	Own activity	N/A	N/A	Sered' produces a lot of waste from cuttings, which it then hands over for processing as an input material for animal feed. Finding similar cutting management opportunities can potentially yield additional yields to IDC.	Opportunity	Short term	Development

Name IRO	The topic of sustainability		Linked with influence ?	Place in the value chain	Where in the business model IROs occur		Description of risks and opportunities	Classification of risks and opportunities		Impact on finances
	A sustainable theme	Subtopic/ Subtopic			The specific subsidiary Efficiency	Specific Country		Detailed description	Classification	
	48 (h)			48(a)	48(a)	48(a)	48 (a), 53 (b ii)		48 (d)	48 (d)
Food waste	Circulatory economy	Waste	Yes	Own activity	N/A	N/A	Food waste represents a loss on products that may have been sold by the Group, representing a loss of revenue for the Group.	Risk	Short term	Financial performance
Agency workers	Own workforce	Secure employment	Yes	Own activity	N/A	N/A	Thanks to the employment of agency workers, the Group has lower wage costs.	Opportunity	Short term	Financial performance
Agency workers	Own workforce	Secure employment	Yes	Own activity	N/A	N/A	The food production sector has lower wages. This allows food businesses to afford to sell cheaper products, but this can be reflected in the difficulty of finding experienced workers.	Risk	Mid term	Financial situation
Risk of injury	Own workforce	Health and safety	Yes	Own activity	N/A	N/A	In the event of a serious accident at the workplace, the Group faces a reputational risk that can cause turnover and a consequent reduction in revenue.	Risk	Mid term	Financial situation

Name IRO	The topic of sustainability		Linked with influence ?	Place in the value chain	Where in the business model IROs occur		Description of risks and opportunities	Classification of risks and opportunities		Impact on finances
	A sustainable theme	Subtopic/ Subtopic			The specific subsidiary Efficiency	Specific Country		Detailed description	Classification	
	48 (h)			48(a)	48(a)	48(a)	48 (a), 53 (b ii)		48 (d)	48 (d)
Accident prevention	Own workforce	Health and safety	Not	Own activity	N/A	N/A	If the company has properly set up processes and pays attention to the education of employees and their well-being, it can prevent the occurrence of injuries in the workplace. Thanks to this, the Group can not only build its positive image, but also improve the health and safety of employees.	Opportunity	Mid term	Financial situation
Training of new specific employees	Own workforce	Training and skills development	Not	Own activity	N/A	N/A	The key is an experienced workforce in the production of rock lollipops (older workers with experience for decorative lollipop designs). When retiring, there is a risk of endangering production due to the lack of an experienced workforce and the consequent decline in income.	Risk	Long-term	Financial performance
Risk of contamination of products	Consumers and End Users	Health and safety	Not	Own activity	N/A	N/A	In the event of product contamination, there is a risk of monetary loss of the Group due to the non-saleability of the products and their subsequent disposal.	Risk	Short term	Financial performance

Name IRO	The topic of sustainability		Linked with influence ?	Place in the value chain	Where in the business model IROs occur		Description of risks and opportunities	Classification of risks and opportunities		Impact on finances
	A sustainable theme	Subtopic/ Subtopic			The specific subsidiary Efficiency	Specific Country		Detailed description	Classification	
	48 (h)			48(a)	48(a)	48(a)	48 (a), 53 (b ii)		48 (d)	48 (d)
Risk of contamination of products	Consumers and End Users	Health and safety	Not	Own activity	N/A	N/A	In the event of the sale of contaminated products, there is a risk of monetary loss of the Group due to a possible lawsuit for bodily injury and reputational damage.	Risk	Short term	Financial situation
Quality certificates	Consumers and End Users	Health and safety	Not	Own activity	N/A	N/A	The Group has food product safety certificates. Obtaining additional certificates can help the Group to consolidate its position in the market.	Opportunity	Mid term	Financial situation
Product labelling	Consumers and End Users	Social inclusion consumers and/or End Users – Responsible Marketing Practices	Not	Own activity	N/A	N/A	Product labeling is subject to regulations. In case of non-compliance with regulations or misleading/insufficient labelling, there is a risk of fines for the company.	Risk	Short term	Financial situation

Name IRO	The topic of sustainability		Linked with influence ?	Place in the value chain	Where in the business model IROs occur		Description of risks and opportunities	Classification of risks and opportunities		Impact on finances
	A sustainable theme	Subtopic/ Subtopic			The specific subsidiary Efficiency	Specific Country		Detailed description	Classification	
	48 (h)			48(a)	48(a)	48(a)	48 (a), 53 (b ii)		48 (d)	48 (d)
Product labelling	Consumers and End Users	Social inclusion consumers and/or End Users – Responsible Marketing Practices	Not	Own activity	N/A	N/A	The Group may educate consumers through packaging, e.g. about waste or consumer health, or through a website or advertising. Such behavior improves the image, which can result in higher revenues for the business.	Opportunity	Long-term	Financial situation
Trademarks	Specific to society (Social)	Intellectual property	Not	Own activity	N/A	N/A	The Group owns trademarks for products (Sedita, Figaro, Horalky, Goralki, Moments, Mila, Kávenky, Kakaové rezy, Andante, Bombi) that are typical for the Group. Their misuse can bring reputational risks – e.g. when selling contaminated counterfeit products, customers can associate the product with IDC.	Risk	Long-term	Financial situation
Safe working conditions for employees in the value chain	Workers in the value chain	Health and safety	Not	Own activity	N/A	N/A	Financial institutions, customers and consumers have increasing demands on the safety of employees in the value chain. These increasing demands pose a risk of impact on the Group's costs in the event that IDC has to contract new suppliers who have a Sedex Members Ethical Trade Audit (SMETA) to evaluate the conditions for employees to certify social and environmental responsibility.	Risk	Mid term	Cost of capital or access to capital

Name IRO	The topic of sustainability		Linked with influence ?	Place in the value chain	Where in the business model IROs occur		Description of risks and opportunities	Classification of risks and opportunities		Impact on finances
	A sustainable theme	Subtopic/ Subtopic			The specific subsidiary Efficiency	Specific Country		Detailed description	Classification	
	48 (h)			48(a)	48(a)	48(a)	48 (a), 53 (b ii)		48 (d)	48 (d)
Child labour	Workers in the value chain	Other Labour Rights-Child Labour	Not	Own activity	N/A	N/A	In the event of the creation and public sharing of information about child labour in the Group's value chain, the Group is at risk of reputational risk, which may affect the fines for the company and at the same time its revenues from the sale of products.	Risk	Mid term	Cost of capital or access to capital
Forced labor		Other Labour Rights- Forced Labour	Yes	Own activity	N/A	N/A	In the event of the creation and public sharing of information about forced labor in the Group's value chain, the Group is at risk of reputational risk, which may affect the penalties for the Group and at the same time its revenues from the sale of products.	Risk	Mid term	Cost of capital or access to capital

[48a, 48d, 48h, 53b II]

I.D.C. Holding, a.s.

Independent Auditor's Limited Assurance Report on Consolidated Sustainability Reporting

December 31, 2024

I.D.C. Holding, a.s.

Bajkalská 19B

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Independent Auditor's Limited Assurance Report on Consolidated Sustainability Reporting

December 31, 2024

To the Shareholders, Supervisory Board and Board of Directors of I.D.C. Holding, a.s.

We have performed a limited assurance engagement regarding the consolidated sustainability reporting of I.D.C. Holding, a.s. and its subsidiaries (hereinafter referred to as "the Group") as of 31 December 2024 and for the year then ended, which is included in the annual report in the section "Consolidated Sustainability Reporting of I.D.C. Holding, a.s." (hereinafter referred to as "the Consolidated Sustainability Reporting").

Identification of Applicable Criteria

The Consolidated Sustainability Reporting was prepared by the management of the Group in order to satisfy the requirements of Article 20g of the Act on Accounting No. 431/2002 Coll. As amended (hereinafter referred to as "the Act on Accounting") implementing 29(a) of Directive 2013/34/EU of the European Parliament and of the Council, including:

- compliance with the European Sustainability Reporting Standards established by the Commission Delegated Regulation (EU) of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council ("ESRS"), including that the process carried out by the Group to identify the information reported in the Consolidated Sustainability Reporting (hereinafter referred to as "the Process") is in accordance with the description set out in the Consolidated Sustainability Reporting note General Information – Impact, risks and opportunities management – Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1); and
- compliance of the disclosures in the Climate change (ESRS E1) subchapter within the environmental section of the Consolidated Sustainability Reporting with the reporting requirements of Article 8 of Regulation (EU) 2020/852 (hereinafter referred to as "the EU Taxonomy Regulation").

Inherent Limitations in Preparing the Consolidated Sustainability Reporting

When reporting forward-looking information under the ESRS, the statutory body is required to prepare forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. However, the actual outcome is likely to be different because the anticipated events frequently do not occur as expected.

In determining the disclosures in the Consolidated Sustainability Reporting, the statutory body interprets undefined legal and other terms. Undefined legal and other terms may be interpreted differently, including the legal conformity of their interpretation and, accordingly, are subject to uncertainties.

Due to the criteria used, the nature of the Consolidated Sustainability Reporting, and the absence of long-standing established authoritative guidance, standard application and reporting practices allow for different, but acceptable measurement methodologies to be adopted, which may result in variances between entities. The adopted measurement methodologies may also impact the comparability of sustainability matters reported by different organizations and from year to year within an organization as the methodologies evolve.

Responsibilities of the Statutory Body and Those Charged with Governance for the Consolidated Sustainability Reporting

The statutory body is responsible for designing and implementing a process to identify the information reported in the Consolidated Sustainability Reporting in accordance with the ESRS and for disclosing this process within a note General Information IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities of the Consolidated Sustainability Reporting.

This responsibility includes the following:

- understanding of the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- identification of the actual but also potential impacts (both negative and positive) related to the sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium- or long-term;
- assessing the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- developing methodologies and making assumptions that are reasonable in the circumstances.

The statutory body is further responsible for the preparation of the Consolidated Sustainability Reporting in accordance with section 20(g) of the Act on Accounting, implementing Article 29(a) of Directive 2013/34/EU of the European Parliament and of the Council, including:

- compliance with ESRS;
- preparing the disclosures in the environmental section of the Consolidated Sustainability Reporting in compliance with the Article 8 of the EU Taxonomy Regulation;
- designing, implementing and maintaining such internal controls that the statutory body determines are necessary to enable the preparation of the Consolidated Sustainability Reporting that is free from material misstatement, whether due to fraud or error; and
- selecting and applying appropriate sustainability reporting methods and making assumptions and estimates about individual sustainability disclosures that are reasonable and appropriate in the circumstances.

Those charged with governance are responsible for overseeing the process for the Group's Consolidated Sustainability Reporting.

Auditor's Responsibilities

We conducted our limited assurance engagement in accordance with International Standards on Assurance Engagements (ISAE) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board (IAASB) (hereinafter referred to as the "ISEA 3000 (Revised)").

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Consolidated Sustainability Reporting is free from material misstatement, whether due to fraud or error, and to report our limited assurance conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Consolidated Sustainability Reporting as a whole.

As part of limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Consolidated Sustainability Reporting, in relation to the Process, include:

- obtaining an understanding of the Process, but not for the purpose of expressing a conclusion about its effectiveness or the results it produces, and
- designing and performing procedures to evaluate whether the Process is consistent with how the Group describes it in the General Information note IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities of the Consolidated Sustainability Reporting.

Our other responsibilities in respect to the Consolidated Sustainability Reporting include:

- obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Consolidated Sustainability Reporting, but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;
- identifying disclosures where material misstatements are likely to arise, whether due to fraud or error; and
- designing and performing procedures responsive to where material misstatements are likely to arise in the Consolidated Sustainability Reporting. 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.

Our Independence and Quality Management

We are independent of the Group in accordance with the ethical requirements of the Act No. 423/2015 Coll. on Statutory Audit and on Amendments to Act No. 431/2002 Coll. on Accounting, as amended, including the Code of Ethics for an Auditor that are relevant to our assurance engagements on Consolidated Sustainability Reporting in Slovakia, and we have fulfilled our other responsibilities in accordance with these requirements.

Our firm applies the International Standard on Quality Management (ISQM) 1. This standard requires us to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of Work Performed

A limited assurance engagement involves performing procedures to obtain evidence about the Consolidated Sustainability Reporting. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Consolidated Sustainability Reporting.

In conducting our limited assurance engagement, with respect to the Process, we:

- obtained an understanding of the Process by:
 - performing inquiries to understand the sources of the information used by the statutory body (e.g. stakeholder engagement, business plans and strategy documents); and
 - inspecting the Group's internal documentation of its Process; and
- we evaluated whether the evidence we obtained about the Process implemented by the Group as a result of the procedures performed was consistent with the description of the Process in note General Information – IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities of the Consolidated Sustainability Reporting.

In conducting our limited assurance engagement with respect to the Consolidated Sustainability Reporting, we:

- obtained an understanding of the Group's reporting processes that are relevant to the preparation of its Consolidated Sustainability Reporting by performing the inquiries to obtain an understanding of the company's control environment, processes and information systems relevant to the preparation of its Consolidated Sustainability Reporting;
- evaluated whether material information identified by the Process is included in the Consolidated Sustainability Reporting;
- evaluated whether the structure and presentation of the Consolidated Sustainability Reporting is consistent with the ESRS;
- performed inquiries of relevant personnel and analytical procedures on selected disclosures in the Consolidated Sustainability Reporting;
- performed substantive assurance procedures on a sample on selected disclosures in the Consolidated Sustainability Reporting;
- where applicable, compared the information provided in the Consolidated Sustainability Reporting with the corresponding information in the separate and consolidated financial statements, respectively, of the Company and the Group, and also one in the remaining elements of the annual report;
- obtained evidence on the methods, assumptions and data for developing material estimates and forward-looking information;
- obtained an understanding of the Group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Consolidated Sustainability Reporting; and
- evaluated whether the standardized reporting templates required by the Taxonomy Regulation were appropriately used to present the key performance indicators.

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

Limited Assurance Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Group's Consolidated Sustainability Reporting as at and for the year ended 31 December 2024 is not prepared, in all material respects, in accordance with section 20(g) of the Act on Accounting implementing Article 29(a) of Directive 2013/34/EU of the European Parliament and of the Council, including:

- compliance with the ESRS, including that the process carried out by the Group to identify the information reported in the Consolidated Sustainability Reporting is in accordance with the description set out in the note General Information – IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities; and
- compliance of the disclosures in the Climate change (ESRS E1) subchapter in the environmental section of the Consolidated Sustainability Reporting with Article 8 of Taxonomy Regulation.

Emphasis of matters

1. We draw attention to Section 1.4.1.3. *Minimal disclosures requirements* in the accompanying Consolidated Sustainability Reporting, which indicates that the Group has not adopted policies, actions, or measurable outcome-oriented targets related to material sustainability issues. The reason given for this decision is the ongoing acquisition process, which commenced in 2024. Once this acquisition is completed in 2025, the Group intends to align its sustainability policies, actions, and targets with those of its new parent company. Our conclusion is not modified in respect of this matter.
2. We draw attention to Section 2.1.1.2. *Capital expenditure* in the accompanying Consolidated Sustainability Reporting, which discusses capital expenditure in consolidated sustainability reporting. The Group considers capital expenditure (CAPEX) to be assets that are put in use during the year and has determined the CAPEX ratio based on this definition. Our conclusion is not modified in respect of this matter.

Other matter

Our assurance engagement does not extend to information in respect of earlier periods.

Bratislava, April 28, 2025



Forvis Mazars Slovensko s.r.o.
SKAU licence No. 236



Ing. Alena Sermeková
UDVA licence No. 815



I.D.C. Holding, a.s.

**INDEPENDENT AUDITOR'S REPORT
FROM THE AUDIT OF THE SEPARATE
FINANCIAL STATEMENTS PREPARED IN
ACCORDANCE WITH INTERNATIONAL
FINANCIAL REPORTING STANDARDS (IFRS) AS
APPROVED BY THE EU**

for the year ended 31 December 2024

INDEPENDENT AUDITOR'S REPORT

To the Shareholder, Supervisory Board, Board of Directors and Audit Committee of the company
I.D.C. Holding, a.s.:

I. REPORT ON THE AUDIT OF THE SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying separate financial statements of I.D.C. Holding, a.s. („the Company“), which comprise the separate balance sheet as at 31 December 2024, the separate statement of comprehensive income, the separate statement of changes in equity and the separate statement of cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by European union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). 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 are independent of the Company in accordance with the provisions of the Act No. 423/2015 Coll. on Statutory Audit and on amendments and supplements to the Act on Accounting No. 431/2002 Coll. as per later amendments (hereinafter the “Act on Statutory Audit”) related to ethical requirements, including the Code of Ethics for Auditors, that are relevant to our audit of the separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that in our professional judgment, were of most significance in our audit of the separate financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



We have identified the following key audit matter:

Valuation of goodwill and valuable rights

<i>Key Audit Matters</i>	<i>How the Matter Was Addressed in the Audit</i>
<p>We identified the valuation of goodwill and valuable rights as a key audit matter due to the materiality of these balances in the separate financial statements and the significance, complexity and subjectivity of management estimates used in assessment of impairment.</p> <p>Management's judgment includes key variables such as future operating performance, timing and approval of future capital and operating expenses, and the discount rate.</p> <p>As disclosed in Note 4 "Goodwill and Intangible Assets" to the separate financial statements, as at 31 December 2024, the Company has disclosed goodwill and valuable rights in the amount of 114 mil. EUR, representing 34% of the Company's assets.</p> <p>As these intangible assets are not amortized as disclosed in Note 2 on accounting policies and practices, the Company is required to perform an annual impairment test on these assets. As a result, management has performed impairment testing as of 31 December 2024.</p>	<p>We evaluated the design and implementation of internal controls over the calculation of impairment of goodwill and valuable rights.</p> <p>We obtained the impairment calculation and assessment of the impairment calculation prepared by management.</p> <p>We reviewed and assessed the inputs and assumptions used by management, including their adequacy.</p> <p>We assessed the appropriateness of the model used to calculate the impairment and performed a recalculation of this model.</p> <p>We evaluated the consistency of the disclosures within the separate financial statements in relation to the valuation of non-current financial assets with International Financial Reporting Standards.</p>

Responsibilities of the Statutory Body and Those Charged with Governance for the Separate Financial Statements

Statutory body is responsible for the preparation and fair presentation of these separate financial statements in accordance with IFRSs as adopted by European union, and for such internal control as statutory body determines are 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, statutory body is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going



concern and using the going concern basis of accounting, unless 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 statutory body.
- Conclude on the appropriateness of statutory body's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

We also provide those charged with governance with a statement on our compliance with the relevant ethical requirements regarding independence, and we communicate with them all relationships and other matters that may reasonably be thought to be threaten our independence, and where applicable, we discuss related protective measures. From the matters communicated



with those charged with governance, we determine those matters that were most significant in the audit of the separate financial statements for the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

II. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

II.1 Report on Information Disclosed in the Consolidated Annual Report

The statutory body is responsible for the information disclosed in the consolidated annual report, prepared under the requirements of the Act on Accounting. Our opinion on the separate financial statements stated above does not apply to other information in the consolidated annual report.

In connection with the audit of the separate financial statements, it is our responsibility to gain an understanding of the information disclosed in the consolidated annual report and to consider whether such information is not materially inconsistent with the audited separate financial statements or our knowledge obtained during the audit of the separate financial statements, or otherwise appears to be materially misstated.

As at the date of the issuance of the auditor's report on the audit of separate financial statements, the consolidated annual report was not available to us.

When we obtain the consolidated annual report, we will evaluate whether the Company's consolidated annual report includes, with the exception of requirements relating to reporting on sustainability information, information which are required to be disclosed by the Act on Accounting, and based on procedures performed during the audit of the separate financial statements, we will express an opinion on whether:

- Information disclosed in the consolidated annual report prepared for the year 2024 is consistent with the separate financial statements for the relevant year; and
- The consolidated annual report, with the exception of requirements relating to reporting on sustainability information, contains information pursuant to the Act on Accounting.

Furthermore, we will report whether material misstatements were identified in the consolidated annual report based on our understanding of the Company and its position, obtained during the audit of the separate financial statements.

II.2 Further requirements for the content of an auditor's report within the meaning of Regulation (EU) No 537/2014 of the European Parliament and of the Council dated 16 April 2014 on specific requirements regarding statutory audit of public-interest entities

Appointment and Approval of the Auditor

We were appointed as auditor by statutory body of the Company on 16 August 2023 based on the resolution of the Company's General Meeting on 29 June 2023. The period of our total uninterrupted engagement including our previous renewals and reappointments of the statutory auditors is two years.

Consistency with the additional report for Audit Committee

Our audit opinion on the separate financial statements expressed herein is consistent with the additional report to the Audit committee of the Company which we issued on the same date as the issue date of this report.

Non-audit Services

We have not provided non-audit services that are prohibited under article 5, paragraph 1 of the Regulation (EU) No 537/2014 of the European Parliament and of the Council from 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and we are independent of the Company.

Except for statutory audit and services published in annual report and separate financial statements, we have not provided to the Company and its subsidiaries any other services.

Bratislava, 31 March 2025



Ing. Romana ĎURKÁČOVÁ
Responsible auditor
Licence UDVA No. 1282



On behalf of the audit company:
BDO Audit, spol. s r. o.
Pribinova 10
Bratislava, Slovak republic
Licence UDVA No. 339



Note - This is a translation of the original Slovak Auditor's Report to the accompanying separate financial statements translated into English language.

I.D.C. Holding, a.s.

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

Year ending 31 December 2024

I.D.C. Holding, a.s.
INDEPENDENT AUDITOR'S REPORT AND SEPARATE FINANCIAL STATEMENTS (PRESENTED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EU)
Year ending 31 December 2024

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I.D.C. Holding, a.s.
SEPARATE BALANCE SHEET
With data as at 31 December 2024 and 31 December 2023
(in whole EUR)

	<i>Note</i>	31 December 2024	31 December 2023
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3	117 063 484	129 456 961
Goodwill and intangible assets	4	114 397 669	116 465 190
Investments in subsidiaries	5	12 580 456	13 233 501
Other non-current assets	6	11 792	12 705
Total non-current assets		<u>244 053 401</u>	<u>259 168 357</u>
CURRENT ASSETS			
Inventories	7	14 330 049	15 049 026
Trade and other receivables	8	16 159 487	16 272 558
Tax assets	24	-	-
Other current assets	6	267 112	376 055
Cash and cash equivalents	9	58 694 581	36 779 101
Total current assets		<u>89 451 229</u>	<u>68 476 740</u>
TOTAL ASSETS		<u>333 504 630</u>	<u>327 645 097</u>
EQUITY AND LIABILITIES			
CAPITAL			
Share capital	10	15 272 000	15 272 000
Legal and other funds	10	5 309 216	5 196 198
Retained earnings	10	109 891 621	142 361 985
Total equity		<u>130 472 837</u>	<u>162 830 183</u>
NON-CURRENT LIABILITIES			
Long-term loans and bonds	11	-	117 304 149
Lease liabilities	12	83 576	132 550
Deferred tax liabilities	24	29 328 339	9 979 561
Provisions	13	1 073 664	747 673
Other non-current liabilities	14	-	3 597
Total non-current liabilities		<u>30 485 579</u>	<u>128 167 530</u>
CURRENT LIABILITIES			
Trade and other payables	14	59 117 764	16 996 332
Current portion of long-term loans and bonds and short-term loans	11	113 280 812	19 511 911
Lease liabilities	12	57 852	65 512
Provisions	13	85 440	68 830
Income tax liabilities	24	4 346	4 799
Total current liabilities		<u>172 546 214</u>	<u>36 647 384</u>
Total liabilities		<u>203 031 793</u>	<u>164 814 914</u>
TOTAL EQUITY AND LIABILITIES		<u>333 504 630</u>	<u>327 645 097</u>

I.D.C. Holding, a.s.
SEPARATE STATEMENT OF COMPREHENSIVE INCOME
For the years ended 31 December 2024 and 31 December 2023
(in whole EUR)

	<i>Note</i>	<i>Year ending 31 December 2024</i>	<i>Year ending 31 December 2023</i>
REVENUES			
Sales of own products, services and merchandise	15	165 346 265	163 220 166
OPERATING EXPENSES			
Changes in inventories of finished goods and work in progress	16	124 513	1 905 916
Consumables and services	17	(91 549 984)	(98 053 229)
Personnel expenses	18	(30 605 716)	(30 524 994)
Depreciation and amortisation		(13 997 509)	(14 166 206)
Other operating (costs)/revenues, net	19	(3 199 519)	211 676
Total operating expenses, net		<u>(139 228 215)</u>	<u>(140 626 837)</u>
OPERATING PROFIT		<u>26 118 050</u>	<u>22 593 329</u>
FINANCE INCOME/(COSTS)			
Interest income	20	1 252 389	422 950
Interest expense	21	(2 336 699)	(2 575 572)
Exchange rate differences, net	22	(826 397)	533 366
Other finance income/(costs), net	23	12 905 314	(20 109)
Total finance costs, net		<u>10 994 607</u>	<u>(1 639 365)</u>
PROFIT BEFORE INCOME TAXES		<u>37 112 657</u>	<u>20 953 964</u>
INCOME TAXES	24	(19 583 021)	(4 577 499)
PROFIT FOR THE YEAR		<u>17 529 636</u>	<u>16 376 465</u>
EARNINGS PER SHARE	25	3 811	3 560
OTHER COMPREHENSIVE INCOME/(LOSS)			
ITEMS WITHOUT RECLASSIFICATION		113 018	(127 503)
Revaluation reserve		113 018	(127 503)
TOTAL COMPREHENSIVE INCOME		<u>17 642 654</u>	<u>16 248 962</u>

I.D.C. Holding, a.s.
SEPARATE STATEMENT OF CHANGES IN EQUITY
For the years ended 31 December 2024 and 31 December 2023
(in whole EUR)

	<i>Share capital</i>	<i>Other capital funds</i>	<i>Share premium</i>	<i>Revaluation reserve</i>	<i>Legal reserve fund</i>	<i>Retained earnings</i>	<i>Total</i>
As of 1 January 2023	15 272 000	-	291 144	(425 530)	5 458 087	127 985 520	148 581 221
Net profit for the year	-	-	-	-	-	16 376 465	16 376 465
Distribution of statutory profit	-	-	-	-	-	(2 000 000)	(2 000 000)
Payment from the shareholder contribution	-	-	-	-	-	-	-
Other comprehensive income/(loss) for the year	-	-	-	(127 503)	-	-	(127 503)
As of 31 December 2023	15 272 000	-	291 144	(553 033)	5 458 087	142 361 985	162 830 183
As of 1 January 2024	15 272 000	-	291 144	(553 033)	5 458 087	142 361 985	162 830 183
Net profit for the year	-	-	-	-	-	17 529 636	17 529 636
Distribution of statutory profit	-	-	-	-	-	(5 000 000)	(5 000 000)
Payment from the shareholder contribution	-	-	-	-	-	(45 000 000)	(45 000 000)
Other comprehensive income/(loss) for the year	-	-	-	113 018	-	-	113 018
As of 31 December 2024	15 272 000	-	291 144	(440 015)	5 458 087	109 891 621	130 472 837

I.D.C. Holding, a.s.
SEPARATE STATEMENT OF CASH FLOWS
For the years ended 31 December 2024 and 31 December 2023
(in whole EUR)

	<i>Year ending 31 December 2024</i>	<i>Year ending 31 December 2023</i>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit/(loss) before income taxes	37 112 657	20 953 964
Adjustments to reconcile profit before income taxes to net cash provided by (used in) operating activities:		
Depreciation and amortisation	13 997 509	14 166 206
Loss/(gain) from disposals of property, plant and equipment	(333 741)	(19 620)
Provision for receivables and inventories	419 103	107 139
Receivables write-off	2 138	8 166
Interest expense, net	1 084 310	2 152 622
Dividends posted to income	(13 263 322)	-
Exchange rate differences, net	(37 040)	(11 863)
Provisions	463 676	(52 268)
Other non-cash items	2 831 135	409 928
Changes in working capital:		
Inventories	272 153	(1 805 779)
Trade and other receivables	133 670	825 881
Trade and other payables	(2 332 757)	(122 234)
Other assets and liabilities	103 808	(222 964)
Net cash provided by operations	40 453 299	36 389 178
Interest received	1 252 389	422 950
Interest paid	(2 390 231)	(2 594 223)
Income tax paid	(242 753)	240 767
Net cash flow from operating activities	39 072 704	34 458 672
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to property, plant and equipment and intangible assets	(2 635 463)	(3 084 645)
Proceeds from the sale of property, plant and equipment	452 068	59 558
Proceeds from the sale of shares	313 430	-
Expenditures for the acquisition of shares	-	(16 215)
Dividends received	13 263 322	-
Net cash flow used in investing activities	11 393 357	(3 041 302)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Income on loans	-	-
Expenditures for loans	(10 681 716)	(10 535 372)
Income on bonds	-	-
Expenditures for bonds	(8 000 000)	-
Income on borrowings	-	-
Expenditures for borrowings	(4 800 000)	-
Expenditures for settlement of lease liabilities	(68 865)	(71 869)
Shareholder contributions paid	-	-
Dividends paid	(5 000 000)	(2 000 000)
Net change in other non-current liabilities	-	-
Net cash flows from/(used in) financing activities	(28 550 581)	(12 607 241)
NET CHANGE IN CASH AND CASH EQUIVALENTS	21 915 480	18 810 129
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	36 779 101	17 968 972
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	58 694 581	36 779 101

1. GENERAL INFORMATION

1.1. Description of the Company

I.D.C. Holding, a.s. (hereinafter also the "Company") is a joint-stock company in the Slovak Republic established on 22 November 1996 and incorporated on 16 January 1997. The Company operates directly in the production and sale of long-life and medium-life pastry goods and confectionery. The Company's registered seat is Bajkalská 19B, Bratislava; its Company ID No. (IČO) is 35 706 686 and its Tax ID No. (DIČ) is 2020192152.

1.2. Unlimited Guarantee

The Company is not an unlimited guarantee partner in any other company.

1.3. Legal Basis for Preparing the Financial Statements

These financial statements are the annual separate financial statements of I.D.C. Holding, a.s. prepared under Act No. 431/2002 Coll. on Accounting, as amended. The financial statements were prepared for the reporting period from 1 January 2024 to 31 December 2024 in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

The annual separate financial statements for the reporting period from 1 January 2024 to 31 December 2024 have been prepared under the assumption that the Company will continue as a going concern. The Company has assessed the impact of recent macroeconomic changes, including the impacts of the ongoing military conflict in Ukraine, the energy crisis, on the financial statements for the year ended 31 December 2024, including an assessment of the impact on the Company's ability to collect receivables and repay liabilities, generate future revenues, the impact of potential price falls, access to finance and its limitations, review of judgments applied in making estimates and other matters. These circumstances have not had a material negative impact on the Company's financial performance and there is no impact that would materially affect the Company's ability to continue as a going concern in the foreseeable future.

1.4. Approval of the 2023 Financial Statements

The annual separate financial statements of I.D.C. Holding, a.s., for the year ended 31 December 2023 were approved by the ordinary General Meeting held on 14 May 2024.

1.5. Comparatives

The amounts as at 31 December 2023 are presented as comparatives for the previous reporting period for assets and liabilities. For expenses and revenues, comparatives for the previous reporting period, i.e. from 1 January 2023 to 31 December 2023, are used.

1.6. Application of New and Revised International Financial Reporting Standards

The Company has applied all new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB as adopted by the European Union (EU) that are relevant to its operations and are effective for the reporting period beginning on 1 January 2024. Their application did not have any material impact on the disclosures or amounts reported in these financial statements.

The following standards, and amendments of existing standards and interpretations issued by the International Accounting Standards Board and adopted by the EU are effective for the current reporting period:

Classification of Liabilities as Current or Non-Current (amendments to IAS 1)

The amendments are intended to foster consistency in the application of requirements by helping companies to determine whether debts and other liabilities with uncertain settlement dates should be classified as current (due or potentially due within one year) or non-current on the balance sheet.

Lease Liability in a Sale and Leaseback (amendments to IFRS 16)

The amendment clarifies how a seller-lessee should subsequently measure sale and leaseback transactions that meet the requirements of IFRS 15 for accounting as a sale so that it recognises no gain or loss related to the right of use that it retains. The new requirements do not prevent a seller-lessee from recognising a gain or loss on the partial or complete termination of a lease in the income statement.

Non-Current Liabilities with Covenants (amendments to IAS 1)

The amendment clarifies how the classification of a liability is affected by the conditions that an entity must satisfy within the twelve months after the reporting period.

Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7)

The amendments add disclosure requirements and 'cross-references' within existing disclosure requirements that require entities to provide qualitative and quantitative information about supplier financing arrangements.

Standards and amendments to existing standards issued by the IASB and adopted by the EU that are not yet in effect

As of the date of approval of these financial statements, the IASB has issued and the EU has adopted the following new standards and amendments to existing standards that are not yet in effect:

Lack of Exchangeability (amendments to IAS 21)

The amendments provide guidance on determining when a currency is convertible and how to determine an exchange rate when none is available. Effective for annual reporting periods beginning on or after 1 January 2025.

New and revised IFRS accounting standards issued but not adopted by the EU

At present, the IFRS accounting standards adopted by the EU do not differ significantly from the IFRS adopted by the International Accounting Standards Board (IASB) except for the following new standards and amendments to existing standards that the EU has not yet adopted:

IFRS 14 Regulatory Deferral Accounts (issued by the IASB 30 January 2014). This standard allows first-time adopters that have reported regulatory deferral account balances in accordance with their previous reporting standards to continue to report them in this way on transition to IFRS. The European Commission has decided not to commence the approval of this interim standard and to wait for the final version.

Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (issued by the IASB on 11 September 2014). The amendments address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that the extent to which a gain or loss is recognised depends on whether the assets sold or contributed constitute a business. The IASB has postponed the effective date of the change indefinitely. It has not yet been adopted for use in the EU.

IFRS 18 - Presentation and Disclosure in Financial Statements

IFRS 18 includes requirements for presentation and disclosure in financial statements applicable to all accounting units that adopt IFRS. It is effective for annual reporting periods beginning on or after 1 January 2027. It has not yet been adopted for use in the EU.

IFRS 19 - Subsidiaries without Public Accountability: Disclosures

IFRS 19 establishes disclosure requirements that an eligible subsidiary may apply in lieu of the disclosure requirements in other IFRS accounting standards. It is effective for annual reporting periods beginning on or after 1 January 2027. It has not yet been adopted for use in the EU.

Amendments to IFRS 9 and IFRS 7 relating to the classification and measurement of financial instruments

The amendments address issues identified during the ex-post review of the classification and measurement requirements under IFRS 9 Financial Instruments. It is effective for annual reporting periods beginning on or after 1 January 2026. It has not yet been adopted for use in the EU.

Amendments to IFRS 9 and IFRS 7 Contracts for the Supply of Electricity Dependent on Renewable Energy

The amendments address better accounting for renewable electricity supply contracts, which amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. It is effective for annual reporting periods beginning on or after 1 January 2026. It has not yet been adopted for use in the EU.

In July 2024 the IASB issued **Annual Improvements to IFRS Accounting Standards – Volume 11**

It included the following changes:

- **IFRS 1:** Hedge accounting by a first-time adopter of IFRS
- **IFRS 7:** Gain or loss on derecognition
- **IFRS 7:** Disclosure of deferred difference between fair value and transaction price
- **IFRS 7:** Introduction and credit risk disclosures
- **IFRS 9:** Derecognition of lease liabilities on the side of the lessee
- **IFRS 9:** Transaction price
- **IFRS 10:** Determination of a 'de facto agent'
- **IAS 7:** Cost method

It is effective for annual reporting periods beginning on or after 1 January 2026. They have not yet been adopted for use in the EU.

New IFRS standards relating to sustainability

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information

IFRS S1 establishes general requirements for disclosure of sustainability-related financial information that is useful to users of general purpose financial reports in making decisions relating to providing resources

I.D.C. Holding, a.s.
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
For the year ended 31 December 2024
(in whole EUR)

to the reporting entity. Effective for annual reporting periods beginning on or after 1 January 2024. This will not be adopted for use in the EU.

IFRS S2 Climate-related Disclosures

IFRS S2 sets out requirements for identifying, measuring and disclosing information about climate risks and opportunities that is useful to users of general purpose financial reports. Effective for annual reporting periods beginning on or after 1 January 2024. This will not be adopted for use in the EU.

Impact on the Company's financial statements

The Company does not expect adoption of these standards to have a material impact on the Company's financial statements in future.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting

The annual separate financial statements have been prepared in accordance with IFRS as adopted by the EU, which do not currently differ from IFRS as issued by the IASB, except for portfolio hedge accounting under IAS 39 "Financial Instruments: Recognition and Measurement", which has not been approved by the EU. The Company has determined that portfolio hedge accounting under IAS 39 would not impact the separate financial statements had it been approved by the EU at the balance sheet date. Under Slovak Act No. 431/2002 Coll. on Accounting, as amended, the Company is required to prepare consolidated financial statements in accordance with IFRS as adopted by the EU. The Company prepared its consolidated financial statements in accordance with IFRS as adopted by the EU for the year ending 31 December 2024. The consolidated financial statements dated 31 March 2025 are available at the Company's premises.

In 2024, I.D.C. Holding, a.s., was a 100% subsidiary of Finhold s.r.o. The shareholder's voting rights are the same as their percentage share in the share capital.

Finhold s.r.o prepares consolidated financial statements for its group of companies in the consolidation group in line with Act No. 431/2002 Coll. on Accounting, as amended. The consolidated financial statements will be filed with the Financial Statements Register.

The principal accounting policies adopted are set out below.

The Company's reporting and functional currency is the euro (EUR). Figures in the separate financial statements are disclosed in euro, unless the text specifies otherwise.

The Company does not monitor sales to make decisions about the allocation of resources and to evaluate financial results by individual production segments.

b. Property, Plant, Equipment, Goodwill and Intangible Assets

Property, plant and equipment, and intangible assets held for use in the production or supply of goods or services, or for administrative purposes, are valued in the balance sheet at acquisition cost less accumulated depreciation and accumulated impairment losses. At the acquisition date, assets are recognised in assets at cost. The acquisition cost includes the cost of contracted work, direct material and labour, and overhead and capitalised interest on received loans and borrowings directly attributable to the acquisition, construction, or production of the qualifying assets. The value of land is recognised at acquisition cost. Right-of-use assets are measured at acquisition cost, which comprises the initial measurement amount of the lease liability and any lease payments made on or before the commencement date, less any lease incentives received.

Items of property, plant, and equipment are depreciated over their estimated useful lives. The estimated useful lives for the major classifications of property, plant, and equipment and intangible assets are as follows:

Classes of Non-Current Tangible and Intangible Assets	Depreciation Period
Buildings and halls	20 – 40 years
Other structures	6 – 30 years
Power-producing machines and driving engines	4 – 40 years
Working machines and equipment	2 – 30 years
Devices and special technical appliances	2 – 15 years
Vehicles	4 – 8 years
Fixtures and fittings	2 – 20 years
Valuable rights, excluding trademarks	3 – 5 years
Non-current intangible assets	2 – 8 years

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- i. Non-current assets placed into service before 31 December 1997 – straight-line depreciation;
- ii. Non-current assets placed into service between 1 January 1998 and 31 December 2002 – accelerated depreciation;
- iii. Non-current assets placed into service after 1 January 2003 – depreciated on a straight-line basis over the depreciation period;
- iv. Non-current assets placed into service after 1 January 2015 – depreciated on a straight-line basis over their useful lives taking into consideration wear and tear.
- v. Trademarks are not amortised, but are tested for impairment.

Assets held under lease are depreciated over their estimated useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales revenues and carrying amount of the asset and is fully recognised in the income statement when incurred.

Subsequent expenditures relating to an item of property, plant, and equipment are added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the original assessed standard of performance of the existing asset, will flow to the enterprise. All other subsequent expenditures are treated as repairs and maintenance and are expensed in the period in which they are incurred.

In accordance with the requirements of IAS 36 "Impairment of Assets", at each balance sheet date an assessment is made as to whether there is any indication that the recoverable amount of the property, plant, and equipment is less than the carrying amount. When there is such an indication, the recoverable amount of the asset, being the higher of the asset's net selling price and the present value of its net cash flows, is estimated. Any resulting estimated impairment loss is recognised in full in the income statement in the year in which the impairment occurs. The discount rates used to calculate the net present value of the cash flows are those considered appropriate to the company in the economic environment in the Slovak Republic at each balance sheet date. In the event that a decision is made to abandon a construction project in progress or significantly to postpone its planned completion date, the carrying value of the asset is reviewed for potential impairment, and a provision recorded, if appropriate.

Goodwill arising upon acquisition is initially measured at cost by which the acquisition cost of a business combination exceeds the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities. If, after reassessment, the Group's share of the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of a business combination, the excess is recognised directly in the income statement.

Goodwill is initially reported on the asset side at cost and subsequently measured at cost less accumulated impairment losses. For the purposes of impairment assessment, goodwill is allocated among all cash-generating units of the Group that are expected to benefit from the synergies of a business combination. The impairment of goodwill is tested annually, or more frequently when there is an indication that a unit may be impaired. If the recoverable amount of a cash-generating unit is less than the carrying amount of the unit, the impairment loss is initially allocated to reduce the carrying amount of the goodwill allocated to the given unit and then to other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. The goodwill impairment loss is not reversed in the following period.

c. Lease

Assets acquired under lease are recognised as assets at their cost as of the acquisition date. The related lease liability is initially measured at the present value of the lease payments payable over the lease term and discounted at the interest rate implicit in the lease if such a rate can be readily determined. If this rate cannot be readily determined, the lessee shall use their incremental borrowing rate. The related payable to the lessor is recognised as a lease liability in the balance sheet. Finance costs representing the difference between the total lease liability and fair value of acquired assets are recognised in the income statement over the lease term (IFRS 16).

IFRS 16 "Leases" – issued by IASB on 13 January 2016 – effective for the annual period beginning on or after 1 January 2019 defines a lease as a contract, or part of a contract, that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Upon the initial recognition under IFRS 16, the Company applied a partially retrospective approach.

d. Financial Assets

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Investments in securities are recognised on a trade date basis, and are initially measured at acquisition cost. The Company derecognises financial assets only if the contractual rights to cash flows from such assets expire or if financial assets and all significant risks and economic benefits arising from the ownership of such assets are transferred to another entity.

Investments in subsidiaries, joint-ventures and associates are measured at cost. Investments in subsidiaries after the merger with Merge Plan a.s. are measured at fair value of the share equalling the fair value of their identifiable net assets.

Held-to-maturity investments are measured at amortised costs, net of accrued interest income, if any.

Investments other than held-to-maturity are either classified as investments at fair value through profit or loss or investments available for sale, which are measured at subsequent reporting dates at fair value based on quoted market prices at the balance sheet date. Where securities are classified at fair value through profit or loss, unrealised gains and losses are included in the income statement. For available for sale investments, unrealised gains and losses are recognised directly in equity, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised is included in the income statement.

Trade receivables, loans, and other receivables that have fixed or variable payments are classified as loans and receivables. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provisions for doubtful and bad debts.

Impairment of Financial Assets

Financial assets other than financial assets recognised at fair value through profit or loss are assessed for indicators of impairment at each balance sheet date as an expected loss on financial assets over their lifecycle.

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

For trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis as an expected loss until maturity. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments and the probability of delayed payments. For trade receivables, the carrying amount is reduced through the use of provisions. Changes in the carrying amount of provisions are recognised through profit and loss. For further information, see Note 8.

e. Financial Instruments

Financial assets and financial liabilities are recognised on the balance sheet when the Company has become a party to the contractual provisions of the financial instrument.

f. Derivative Financial Instruments

Derivative financial instruments are initially recorded at cost and are re-measured to fair value at subsequent reporting dates.

Changes in the fair value of derivative financial instruments that are designated and effective as cash flow hedges are recognised directly in equity. Amounts deferred in equity are recognised in the income statement in the same period in which the hedged firm commitment or forecasted transaction affects net profit or loss. As of 31 December 2024 and 31 December 2023 the Company had no derivative financial instruments designated as cash-flow hedges.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement as they arise.

Derivatives embedded in other financial instruments or non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of host contracts and the host contracts are not carried at fair value with unrealised gains or losses reported in the income statement.

g. 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.

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h. Bank Loans and Bonds

Bank loans and bonds are initially recognised at fair value and subsequently measured at amortised cost. The difference between the cost at which the loans and bonds are repaid and the amortised cost is recognised through profit or loss on a straight-line basis over the life of the loan relationship. Bank loans and bonds due within one year are classified as current liabilities. Bank loans and bonds with a maturity over one year are classified as non-current liabilities.

i. Research and Development

Research and development expenses are charged to expenses in the year when they are incurred.

j. Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand and balances with banks, and highly-liquid investments with insignificant risk of changes in value and original maturities of three months or less at the date of acquisition.

k. Inventories

Inventories are stated at the lower of costs and net realisable value. Costs include direct materials, other direct costs and related overheads. Costs are calculated using the weighted average method. The net realisable value is an estimate of the selling price in the ordinary course of business, less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Standard costs used for the valuation of finished goods and work in progress are updated regularly on an annual basis according to the actual production cost; the difference from the subsequent revaluation of finished goods and work in progress is charged to the income statement.

l. Accruals

The Company makes an estimate of expenses and liabilities that have not been invoiced at the balance sheet date. These expenses and liabilities are recorded in the accounting records and reported in the financial statements of the periods to which they relate.

m. Provisions

Provisions for liabilities are recognised when the Company has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made.

n. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from the sale of goods is recognised when all the following conditions are satisfied: the Company has transferred control to the buyer, i.e. the significant risks and rewards of ownership of the products/goods; the amount of revenue can be measured reliably; the costs incurred or to be incurred in respect of the transaction can be measured reliably. Revenue recognition applied by the Company is based on the accruals principle.

o. Dividends

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

p. Social Security and Employee Benefits

The Company makes contributions to the Slovak government's health, retirement benefit, medical insurance and unemployment schemes based on gross salary payments at the statutory rates in force during the year. The Company's employees also bear a portion of these contributions. The cost of social security payments is charged to the income statement in the same period as the related salary cost. The Company has no obligation to contribute to these schemes beyond the statutory rates in force.

The Company also makes contributions to a supplementary pension fund for its employees.

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Pursuant to the existing Collective Agreement, the Company is obliged to make contributions to the employee benefit schemes covering jubilee awards and retirement benefits provided to the employees. Under IAS 19, employee benefit costs are calculated using the Projected Unit Credit Method. After their remeasurement, actuarial gains/losses are recognised in the balance sheet under equity.

Payables arising from the provision of employee benefits are measured at the current value of anticipated future cash outflows discounted at the rate of interest income from government bonds the maturity of which approximates the maturity of the relevant liability.

q. State Grants

State grants obtained for the acquisition of property, plant, and equipment are recorded as deferred income, which is amortised to income on an accrual basis over the useful lives of the related assets, and/or at their disposal.

r. Borrowing Costs

Borrowing costs are presented as costs when incurred, except for borrowing costs directly attributable to the acquisition, construction, or production of qualifying non-current assets. These borrowing costs are recognised, until the moment the qualifying assets are placed into service, as part of their acquisition cost (IAS 23).

s. Transactions in a Foreign Currency

Transactions in a foreign currency are translated using the reference exchange rate determined and declared by the European Central Bank (ECB) or the National Bank of Slovakia (NBS) on the date preceding the transaction date. The resulting foreign exchange rate differences are recognised through profit or loss. At the reporting date of the separate financial statements, monetary assets and liabilities denominated in foreign currencies are converted to euros using the reference exchange rate determined and announced by the ECB or NBS.

Unrealised gains and losses due to fluctuations in exchange rates are fully recognised in the income statement. Foreign currencies purchased and/or sold for euros are converted using the exchange rate applied to the purchase-sale transaction.

t. Current Income Tax

Income tax is calculated based on accounting profit under IFRS as adopted by the EU adjusted by items defined by the generally binding regulation issued by the Slovak Ministry of Finance, and after applying certain items for tax purposes using the income tax rate of 21%.

u. Deferred Income Tax

Deferred income tax is calculated, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. To calculate deferred tax, the approved tax rate of 24% applicable as of 1 January 2025 was used. Deferred tax is charged or credited to the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also recorded in equity.

The most significant temporary differences arise as a result of differences between the tax and accounting net book value of property, plant, and equipment. Deferred tax liabilities are recognised on a general basis for all temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred income tax is calculated for temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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.

v. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the process of applying the Company's accounting policies, which are described in Note 2, the Company

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has made the following judgements and key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next period or that have the most significant effect on the amounts recognised in the financial statements.

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3. PROPERTY, PLANT AND EQUIPMENT

	<i>Land</i>	<i>Buildings & Structures</i>	<i>Machinery & Equipment</i>	<i>Assets under Construction and Advances for Property, Plant and Equipment</i>	<i>Total</i>
Cost at 1 Jan 2024	12 977 641	41 126 088	110 654 917	11 448 093	176 206 739
Additions	-	12 230	-	717 183	729 413
Disposals	-	(8 269)	(5 468 798)	-	(5 477 067)
Transfers	-	220 318	10 511 483	(10 731 801)	-
Cost at 31 Dec 2024	12 977 641	41 350 367	115 697 602	1 433 475	171 459 085
Accumulated depreciation at 1 Jan 2024	-	(5 875 406)	(40 874 372)	-	(46 749 778)
Charge for year and net book value upon disposal	-	(1 041 556)	(11 130 100)	-	(12 171 656)
(Creation)/dissolution of provisions	-	-	(720 075)	(231 159)	(951 234)
Disposals	-	8 269	5 468 798	-	5 477 067
Additions	-	-	-	-	-
Accumulated depreciation at 31 Dec 2024	-	(6 908 693)	(47 255 749)	(231 159)	(54 395 601)
Net Book Value at 1 Jan 2024	12 977 641	35 250 682	69 780 545	11 448 093	129 456 961
Net Book Value at 31 Dec 2024	12 977 641	34 441 674	68 441 853	1 202 316	117 063 484

	<i>Land</i>	<i>Buildings & Structures</i>	<i>Machinery & Equipment</i>	<i>Assets under Construction and Advances for Property, Plant and Equipment</i>	<i>Total</i>
Cost at 1 Jan 2023	12 977 641	41 016 189	109 299 088	12 271 900	175 564 818
Additions	-	(63 527)	278	1 548 606	1 485 357
Disposals	-	(35 543)	(807 893)	-	(843 436)
Transfers	-	208 969	2 163 444	(2 372 413)	-
Cost at 31 Dec 2023	12 977 641	41 126 088	110 654 917	11 448 093	176 206 739
Accumulated depreciation at 1 Jan 2023	-	(4 833 513)	(29 007 676)	-	(33 841 189)
Charge for year and net book value upon disposal	-	(1 077 436)	(12 674 311)	-	(13 751 747)
Disposals	-	35 543	807 893	-	843 436
Additions	-	-	(278)	-	(278)
Accumulated depreciation at 31 Dec 2023	-	(5 875 406)	(40 874 372)	-	(46 749 778)
Net Book Value at 1 Jan 2023	12 977 641	36 182 676	80 291 412	12 271 900	141 723 629
Net Book Value at 31 Dec 2023	12 977 641	35 250 682	69 780 545	11 448 093	129 456 961

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Additions to and transfers in assets under construction mainly relate to investment projects associated with the renovation and reconstruction of technology equipment and the refurbishment of the Pečivárne Sered' plant.

The Company recognises additions to buildings, structures, machinery and equipment under lease contracts that were identified as a lease. Further details are provided in Note 12.

In 2024, disposals of buildings, structures, machinery and equipment included disposals of assets amounting to EUR 4 808 050 due to liquidation and EUR 633 156 due to the sale.

The value of recognised non-current tangible assets was adjusted as of 31 December 2024 by provisions amounting to EUR 951 234 (31 December 2023: EUR 0) due to the planned end of use of this asset in the renovation and modernisation of the company's assets. As of 31 December 2024, depreciation and amortisation was recognised in the income statement as an increase in expense amounting to EUR 951 234 (31 December 2023: EUR 0).

Non-current tangible assets covered by pledges are disclosed in Note 11.

Insurance of Non-current Assets Insured Assets

Insured Assets	Coverage	Name and Address of Insurance Company	Amount Insured
Vehicles	Mandatory third-party liability insurance, theft and motor hull (CASCO) insurance	KOOPERATIVA, Bratislava, Allianz – Slov. poisť. a. s. Bratislava	2 750 789
Immovable and movable assets including software	All risks	Allianz-Slovenská poisťovňa, a. s. Bratislava*	291 050 170
Additional insurance of new assets and interruption of operations – amount of lost profit and fixed costs	All risks	Allianz-Slovenská poisťovňa, a. s. Bratislava*	54 050 140

*Co-insurer: Colonnade Insurance S.A., Kooperativa poisťovňa, a.s., PREMIUM insurance Company Limited, PREMIUM Poisťovňa.

4. GOODWILL AND INTANGIBLE ASSETS

Intangible assets comprise the following:

	Valuable Rights, Development Costs	Goodwill	Software	Assets in Acquisition and Advances for Intangible Assets	Total
Cost at 1 Jan 2024	74 693 368	39 122 000	2 689 241	2 200 840	118 705 449
Additions	-	-	-	487 604	487 604
Disposals	-	-	(9 203)	(1 522 557)	(1 531 760)
Transfers	-	-	80 331	(80 331)	-
Cost at 31 Dec 2024	74 693 368	39 122 000	2 760 369	1 085 556	117 661 293
Accumulated depreciation at 1 Jan 2024	(67 224)	-	(2 173 035)	-	(2 240 259)
Charge for year and net book value upon disposal	-	-	(272 628)	-	(272 628)
(Creation)/dissolution of provisions	-	-	-	(759 940)	(759 940)
Disposals	-	-	9 203	-	9 203
Accumulated depreciation at 31 Dec 2024	(67 224)	-	(2 436 460)	(759 940)	(3 263 624)
Net Book Value at 1 Jan 2024	74 626 144	39 122 000	516 206	2 200 840	116 465 190
Net Book Value at 31 Dec 2024	74 626 144	39 122 000	323 909	325 616	114 397 669

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	<i>Valuable Rights, Development Costs</i>	<i>Goodwill</i>	<i>Software</i>	<i>Assets in Acquisition and Advances for Intangible Assets</i>	<i>Total</i>
Cost at 1 Jan 2023	74 693 368	39 122 000	2 615 675	1 323 942	117 754 985
Additions	-	-	-	950 853	950 853
Disposals	-	-	(389)	-	(389)
Transfers	-	-	73 955	(73 955)	-
Cost at 31 Dec 2023	74 693 368	39 122 000	2 689 241	2 200 840	118 705 449
Accumulated depreciation at 1 Jan 2023	(67 224)	-	(1 702 400)	-	(1 769 624)
Charge for year and net book value upon disposal	-	-	(471 024)	-	(471 024)
Disposals	-	-	389	-	389
Accumulated depreciation at 31 Dec 2023	(67 224)	-	(2 173 035)	-	(2 240 259)
Net Book Value at 1 Jan 2023	74 626 144	39 122 000	913 275	1 323 942	115 985 361
Net Book Value at 31 Dec 2023	74 626 144	39 122 000	516 206	2 200 840	116 465 190

Valuable rights recognised as at 31 December 2024 and 31 December 2023 primarily consist of trademarks used by the Company.

Disposals of assets in acquisition mainly represent depreciation of costs related to the implementation of a new ERP system.

The value of recognised non-current intangible assets was adjusted as of 31 December 2024 by provisions amounting to EUR 759 940 (31 December 2023: EUR 0) due to the planned end of the project to implement a new ERP system. As of 31 December 2024, this was recognised in depreciation and amortisation in the income statement as an increase in expense amounting to EUR 759 940 (31 December 2023: EUR 0).

The Company assesses the impairment of goodwill arising from business combinations during the current reporting period and assesses the impairment of goodwill recognised in preceding periods at the year-end. The Company also assesses impairment of other intangible assets with indefinite useful lives, and cash-generating units, for which a reason for impairment assessment was established. As at the acquisition date, the acquired goodwill is allocated to individual cash-generating units that are expected to benefit from the synergies of business combinations. Impairment is determined by estimating the recoverable amount of the cash-generating units to which goodwill was allocated, using the value in use, which reflects the estimated future discounted cash flows. Value in use is derived from forecasted future cash flows, which are updated after the acquisition date (forecasts are made by the management). The discount rates used for projected cash flows are calculated as a weighted average of the cost of capital of each cash-generating unit.

The Company assessed impairment of goodwill at the end of the reporting period. The Company recognised goodwill in the amount of EUR 39 122 000 and non-current intangible assets with indefinite useful lives consisting of valuable rights, trademarks in the amount of EUR 74 626 144.

The assumptions used in the impairment test for the CGUs of the I.D.C. Holding Group as of 31 December 2024 were as follows:

- The value in use of goodwill and intangible assets was derived from an expert opinion of the I.D.C. Holding Group and calculated using the income method by an independent external appraiser. The income method was determined based on future cash flows estimated by management, updated since the acquisition date. Future cash flows were prepared on the basis of past results, current operating results and a 10-year business plan of the CGU. The cash flow projections used for determining the value in use are for a seven-year period;
- The applied discount rate is the weighted average cost of capital of the Company in individual periods in the range from 6% to 8.6%;
- The key assumptions, which were also the most sensitive factors when determining the return on value, were management's forecast of the expected operating profit before depreciation and amortisation (EBITDA) and the capitalisation rate. Management's approach to weighting the key assumptions was based on historical experience.

This testing identified no impairment losses for assets as at 31 December 2024 or 31 December 2023.

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5. INVESTMENTS IN SUBSIDIARIES

The investments in subsidiaries comprise the following ownership interests:

	31 Dec 2024	31 Dec 2023
Investments in subsidiaries		
I.D.C. Praha, a.s.	6 443 512	6 443 512
I.D.C. POLONIA, S.A.	3 030 022	3 030 022
I.D.C. HUNGÁRIA ZRT.	3 106 922	3 106 921
Coin, a.s.	-	653 046
Total, gross	12 580 456	13 233 501
Less: impairment loss	-	-
Total, net	12 580 456	13 233 501

Shares in the company Coin a.s. were acquired by Finhold s.r.o. under a share purchase agreement effective from 25 July 2024.

Information regarding the Group's subsidiaries as of 31 December 2024 can be summarised as follows:

Company	Seat	Ownership (Voting Rights in %)	Principal Activity	Equity 31 Dec 2024* 31 December 2023	Profit/ (Loss) 2024* 2023
I.D.C. Praha, a.s.	Kubánské náměstí 1391/11 100 00 Praha 10 Czech Republic	100.00	Trading activities	6 259 583 10 089 487	2 201 506 2 604 643
I.D.C. POLONIA, S.A.	Ul. Bartnicka 35 30 – 444 Libertów Krakow Poland	100.00	Trading activities	2 958 048 5 776 821	587 848 1 336 446
Coin, a.s.	Bajkalská 19B Bratislava 821 01 Slovakia	100.00	Finance activities	- 747 851	- 40 784
I.D.C. HUNGÁRIA ZRT.	Leshegy utca 3 2310 Szigetszentmiklós Hungary	100.00	Trading activities	2 163 660 4 777 903	607 183 1 146 777

* Based on the preliminary financial statements of the subsidiaries prepared in accordance with the local financial statements

6. OTHER ASSETS

Other assets consist of the following:

	31 December 2024	31 December 2023
Prepaid expenses	278 904	194 677
Accrued revenues	-	194 083
Total other assets	278 904	388 760
<i>Of which: other current assets</i>	267 112	376 055
Total other non-current assets	11 792	12 705

As of 31 December 2024 and 31 December 2023, prepaid expenses mainly included expenses for various services paid in advance, such as insurance premiums and data processing services.

7. INVENTORIES

Inventories consist of the following:

	31 Dec 2024	31 Dec 2023
Raw materials	8 521 892	9 085 230
Work-in-progress and semi-finished goods	447 474	503 797
Finished goods	5 299 810	5 459 999
Merchandise	60 873	-
Total	14 330 049	15 049 026

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The balance of raw materials was reduced by write-downs due to an impairment in the amount of EUR 847 708 (31 December 2023: EUR 442 931). As of 31 December 2024, consumed raw materials recognised in the income statement include the amount of EUR 831 876 as an increase in expenses (31 December 2023: an increase in expenses of EUR 412 265) due to an increase in the value of inventory in line with net realisable value and, at the same time, the amount EUR 427 099 (31 December 2023: EUR 263 166) was recognised in other operating expenses in the income statement as a decrease in expenses due to the sale of inventories measured at net realisable value.

Method of Insurance of Inventories

Insured Assets	Coverage	Name and Address of Insurance Company	Amount Insured
Inventories	All risks	Allianz-Slov. poisťovňa, a.s. Bratislava*	11 302 759
Finished goods	Operating liability, defective products, recourse payments – liability insurance	Allianz-Slov. poisťovňa, a.s. Bratislava	7 500 000

*Co-insurer: Colonnade Insurance S.A., Kooperatíva poisťovňa, a.s., PREMIUM insurance Company Limited, PREMIUM Poisťovňa.

8. TRADE AND OTHER RECEIVABLES

Trade and other receivables consist of the following:

	31 Dec 2024	31 Dec 2023
Trade receivables	15 721 653	11 475 506
Provision for receivables	(137 714)	(123 388)
Trade receivables, net	<u>15 583 939</u>	<u>11 352 118</u>
Other receivables from companies in the group	-	3 958 070
Other receivables	189 843	177 985
Provision for other receivables	-	-
Other receivables, net	<u>189 843</u>	<u>177 985</u>
Other tax assets and subsidies	385 705	784 385
Total	<u>16 159 487</u>	<u>16 272 558</u>

Other receivables totalling EUR 189 843 mainly comprise a receivable from the Customs Office – standing guarantee as per Act No. 105/2004 Coll. on Excise Tax on Alcohol, as amended, amounting to EUR 137 039 (31 December 2023: EUR 128 153) and receivables from notarial custody in the amount of EUR 23 265 (31 December 2023: EUR 22 158).

Other tax assets and subsidies of EUR 385 705 (31 December 2023: EUR 784 385) mainly comprise VAT receivables in the amount of EUR 385 222 (31 December 2023: EUR 692 571).

Breakdown of trade receivables, including receivables from Group companies:

	31 December 2024		Total
	Within maturity	Overdue	
Current receivables	11 182 287	-	11 182 287
Up to 30 days	-	2 335 748	2 335 748
Up to 90 days	-	2 065 904	2 065 904
Up to 180 days	-	-	-
Up to 360 days	-	-	-
Over 360 days	-	137 714	137 714
Total including Group companies	<u>11 182 287</u>	<u>4 539 366</u>	<u>15 721 653</u>
	31 December 2023		Total
	Within maturity	Overdue	
Current receivables	9 193 152	-	9 193 152
Up to 30 days	-	2 112 899	2 112 899
Up to 90 days	-	33 718	33 718
Up to 180 days	-	-	-
Up to 360 days	-	15 499	15 499

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Over 360 days	-	120 238	120 238
Total including Group companies	9 193 152	2 282 354	11 475 506
Receivables from Group companies:			
		31 Dec 2024	31 Dec 2023
I.D.C. HUNGÁRIA ZRT.		893 531	434 200
I.D.C. POLONIA, SA		6 458 070	4 005 325
I.D.C. Praha, a.s.		3 531 852	2 245 557
Total		10 883 453	6 685 082

Changes in provisions for doubtful and disputed trade receivables and other receivables:

	31 Dec 2024	31 Dec 2023
Opening balance	(123 388)	(165 348)
Recognised loss on impairment of receivables (creation)	(16 464)	-
Reversal of impairment loss on write-off of receivables	2 138	1 960
Reversal of impairment loss	-	40 000
Total	(137 714)	(123 388)

Provisions for trade receivables were recorded for receivables overdue from insolvent debtors and for doubtful debts from debtors against whom litigation is pending for settlement of debt, depending on the assessment of the risk associated with such receivables on a case-by-case basis.

When determining the recoverability of receivables, the Company considers all changes in the creditworthiness of the relevant trade receivable starting from the date of its origination until the balance sheet date. The Company finds its recorded provisions to be adequate given the information currently available. Future trends in the development of economic conditions on the market where the Company operates may require recording additional provisions that cannot be objectively quantified as at the reporting date.

Before accepting a new customer, the Company uses an external rating system to assess the customer's creditworthiness and, based on the result, credit limits are assigned to the customers. Each customer's creditworthiness is monitored on a quarterly basis by an external insurance company.

The ageing structure of trade receivables overdue with no impairment is as follows:

	31 Dec 2024	31 Dec 2023
Unimpaired receivables, past due:		
Up to 90 days	4 401 652	2 146 617
90 - 180 days	-	-
180 - 360 days	-	12 349
Over 360 days	-	-
Total	4 401 652	2 158 966

Ageing of the provision for trade receivables is as follows:

	31 Dec 2024	31 Dec 2023
0 - 90 days past due	-	-
90 - 180 days past due	-	-
180 - 360 days past due	-	3 150
Over 360 days past due	137 714	120 238
Total	137 714	123 388

9. CASH AND CASH EQUIVALENTS

	31 Dec 2024	31 Dec 2023
Cash on hand, stamps and vouchers	16 269	19 681
Current bank accounts and cash in transit	58 678 312	36 759 420
Total	58 694 581	36 779 101
	31 Dec 2024	31 Dec 2023
Cash and cash equivalents in the statement of cash flows	58 694 581	36 779 101

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10. EQUITY

The share capital consists of 4 600 registered shares (31 December 2023: 4 600 registered shares) at a face value of EUR 3 320 per share. The share capital has been fully subscribed and paid.

Legal and other funds include the legal reserve fund, which amounted to EUR 5 458 087 as at 31 December 2024 (31 December 2023: EUR 5 458 087), the share premium of EUR 291 144 (31 December 2023: EUR 291 144), and the revaluation reserve from the revaluation of the actuarial gains and losses for the provision for employee benefits in the amount of EUR (440 015) (31 December 2023: EUR (553 033)). Under the Company's Articles of Association, the legal reserve fund is not available for distribution and can be used to cover losses or increase share capital.

11. LOANS AND BONDS

11.1. Long-term loans and bonds

Long-term loans and bonds comprise the following:

	31 Dec 2024	31 Dec 2023
Long-term bank loans	84 854 685	95 582 134
Portion due within 1 year	(84 854 685)	(11 013 618)
Bonds issued	28 426 127	36 433 926
Portion due within 1 year	(28 426 127)	(8 498 293)
Other borrowings	-	4 800 000
Portion due within 1 year	-	-
Total	113 280 812	117 304 149

Long-term bank loans comprise:

Bank	Credit Limit	Curr.	Maturity	31 December 2024	31 December 2023
Slovenská sporiteľňa, a.s.	111 000 tis.	EUR	03/2029	EUR 84 854 685 of which, amount due within 1 year: EUR 84 854 685	EUR 95 582 134 of which, amount due within 1 year: EUR 11 013 618
Total				EUR 0	EUR 84 568 516

In January 2025, the company decided to repay the loan to Slovenská sporiteľňa, a.s., before maturity. The loan was repaid on 8 January 2025.

As of 31 December 2024, bank loans and bonds bore fixed and floating interest at rates varying from 1.2% to 3.9% p.a. As at 31 December 2023, bank loans and bonds bore fixed and floating interest at rates varying from 1.4% to 5.2% p.a.

Pledges over assets

Under the loan agreements in force as of 31 December 2024, pledges are established over movable and immovable assets at the net book value of the assets in favour of Slovenská sporiteľňa, a.s. (amounting to EUR 89 857 560).

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Bonds issued comprise the following:

As of 31 Dec 2024:	IDC 2027	IDC 2033
Title	IDC Holding	IDC Holding
Issued on	29 July 2016	29 June 2018
Rate of issue per bond	100 %	100 %
Face value per bond	EUR 100 000	EUR 50 000
No. of bonds issued	80	400
Maturity of bonds	July 2027	June 2033
Interest, date of interest payment	2.97 % p. a. annually As of 29 July	3.35 % p. a. annually As at 29 June
Face value	8 000 000	20 000 000
Value adjusted for amortised cost and accrued interest	8 099 561	20 326 566
<i>Of which: current portion</i>	<i>8 099 561</i>	<i>20 326 566</i>

As of 31 Dec 2023:	IDC 2024	IDC 2027	IDC 2033
Title	IDC Holding	IDC Holding	IDC Holding
Issued on	08 July 2016	29 July 2016	29 June 2018
Rate of issue per bond	100 %	100 %	100 %
Face value per bond	EUR 100 000	EUR 100 000	EUR 50 000
No. of bonds issued	80	80	400
Maturity of bonds	July 2024	July 2027	June 2033
Interest, date of interest payment	1.77 % p. a. annually As of 8 July	2.97 % p. a. annually As of 29 July	3.35 % p. a. annually As at 29 June
Face value	8 000 000	8 000 000	20 000 000
Value adjusted for amortised cost and accrued interest	8 067 109	8 098 877	20 267 940
<i>Of which: current portion</i>	<i>8 067 109</i>	<i>99 917</i>	<i>331 267</i>

The IDC 2027 Bond was not issued under a public offer. In line with the bond issue rules, an application for admitting the IDC 2027 Bond on the regulated free market was filed with Burza cenných papierov v Bratislave, a.s. (the Bratislava Stock Exchange). After the stock exchange requirements were fulfilled, the bonds were admitted for trading on the regulated free stock exchange market. The IDC 2033 Bond was issued under a public offer. The Company filed an application with Burza cenných papierov v Bratislave, a.s. (Bratislava Stock Exchange) for admitting the IDC 2033 Bond on the regulated free market. Subsequently, after the stock exchange requirements were fulfilled, the bond was admitted for trading on the regulated free stock exchange market.

The IDC 2024 Bond was redeemed in 2024.

In January 2025, the company decided to redeem the IDC 2027 and IDC 2033 bonds and then cancel them.

Other borrowings comprise:

Creditor	Interest Rate	Maturity	Balance as of 31 Dec 2024	Balance as of 31 Dec 2023
Coin, a.s.	1,50 %	31 December 2025	-	3 700 000
GROSER a.s.	1,50 %	31 December 2025	-	1 100 000
Total			-	4 800 000

The loans from Coin, a.s. and GROSER, a.s. were settled in 2024 as part of the sale of Coin, a.s.

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The carrying amounts and fair values of loans and bonds are as follows:

	<i>Carrying Amount</i>		<i>Fair Value</i>	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Loans	84 854 685	95 582 134	84 854 685	95 582 134
Bonds	28 426 127	36 433 926	27 729 414	33 421 738
Borrowing	-	4 800 000	-	4 800 000
Total	<u>113 280 812</u>	<u>136 816 060</u>	<u>112 584 099</u>	<u>133 803 872</u>

Fair values represent cash flows discounted using the interest rate that, based on the assumptions of the Company, could be achieved as at the balance sheet.

Under concluded loan agreements and the terms and conditions of its bond issues, the Company is obliged to comply with various general and financial covenants. As at 31 December 2024, all covenants were met.

11.2. Current Portion of Long-term Loans and Bonds, and Short-term Loans

Short-term loans comprise the following items:

	31 Dec 2024	31 Dec 2023
Portion of long-term bank loans due within 1 year (Note 11.1)	84 854 685	11 013 618
Portion of long-term issued bonds due within 1 year (Note 11.1)	28 426 127	8 498 293
Portion of other non-current borrowings due within 1 year (Note 11.1)	-	-
Total	<u>113 280 812</u>	<u>19 511 911</u>

12. LEASE

	31 Dec 2024	31 Dec 2023
Lease liabilities		
Payable within 1 year	61 383	70 803
Payable from 1 year to 5 years	85 517	137 669
Payable after 5 years	-	-
	<u>146 900</u>	<u>208 472</u>
Unrealised finance costs	(5 472)	(10 410)
Present value of a liability	<u>141 428</u>	<u>198 062</u>
Amount payable with maturity up to 12 months (included in current liabilities)	(57 852)	(65 512)
Amount payable with maturity over one year (included in non-current liabilities)	83 576	132 550

As of 31 December 2024 and 31 December 2023, the Company recognised as a lease a contract related to the lease of non-residential premises with a lease term 30 June 2027 which was concluded before 1 January 2019, and a contract for the lease of equipment, which was concluded on 1 April 2022 with a lease term until 31 March 2025.

13. PROVISIONS

	31 Dec 2024	31 Dec 2023
Balance as of 1 January	816 503	707 375
Provisions created	598 163	243 528
Provisions used	(255 562)	(134 400)
	<u>1 159 104</u>	<u>816 503</u>
<i>Of which: current portion</i>	85 440	68 830

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The long-term employee benefit scheme in operation in the Company is a defined benefit plan under which employees are entitled to a lump-sum benefit upon retirement, or disability, at a rate equal to a multiple of their average pay and depending on set requirements. The scheme is unfunded, i.e. there are no specific assets in place to cover the liabilities resulting from the plan.

Key assumptions used by the Company in estimating the actuary valuation:

Discount rate	3.48%
Future actual annual pay increase rate:	
Year 2025	5%
Subsequent years	2.5%
Assumed annual fluctuation	1%
Retirement age	Based on the Social Insurance Act No. 461/2003 Coll. as amended.

14. TRADE AND OTHER PAYABLES

14.1. Other non-current liabilities

	31 Dec 2024	31 Dec 2023
Accrued income	-	5 942
Accrued income – current portion	-	(2 345)
Other trade payables	-	-
Total	-	3 597

Deferred income comprised provided investment grants totalling EUR 5 942 as of 31 December 2023. These grants provided for the acquisition of property, plant, and equipment are being recognised in the income statement as income over the useful lives of the related assets. Investment grants recognised as income in the income statement for the year ended 31 December 2024 amounted to EUR 5 942 (31 December 2023: EUR 2 759).

14.2. Trade and other payables

	31 Dec 2024	31 Dec 2023
Trade payables	8 230 503	8 638 014
Employee liabilities	3 716 673	6 148 518
Social security payables	1 774 971	1 940 958
Tax liabilities and subsidies	215 619	193 904
Social fund liabilities	176 483	70 919
Liabilities to shareholder	45 000 000	
Accrued expenses	-	106
Deferred income – current portion (Note 14.1)	-	2 345
Other payables	3 515	1 568
Total	59 117 764	16 996 332

Social fund payables:

	31 Dec 2024	31 Dec 2023
Balance as of 1 January	70 919	36 607
Total creation	552 170	389 052
Total use	(446 606)	(354 740)
Closing balance at 31 Dec 2024	176 483	70 919

The social fund was used for workforce regeneration, meals, travel expenses, cultural activities, sports rehabilitation, health care.

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The following is a breakdown of trade and other payables, including payables to Group companies:

	31 Dec 2024	31 Dec 2023
Payables within due date	58 935 553	16 653 856
Payables after due date	182 211	342 476
Total	<u>59 117 764</u>	<u>16 996 332</u>

	31 Dec 2024	31 Dec 2023
Payables to subsidiaries:		
Trade payables	-	-
Total	<u>-</u>	<u>-</u>

15. SALES OF OWN PRODUCTS, SERVICES AND MERCHANDISE

Territory	Year ending 31 December 2024		Year ending 31 December 2023	
	Amount	%	Amount	%
Slovakia	73 436 830	44.41	72 212 209	44.24
Total abroad	91 909 435	55.59	91 007 957	55.76
of which:				
Czech Republic	50 588 786	30.60	52 564 350	32.20
Hungary	11 428 495	6.91	11 247 661	6.89
Poland	26 914 090	16.28	24 656 778	15.11
Other	2 978 064	1.80	2 539 168	1.56
Total sales including Group companies	<u>165 346 265</u>	<u>100.00</u>	<u>163 220 166</u>	<u>100.00</u>

Commodity structure of sales of products, merchandise and services

Commodity	Year ending 31 December 2024		Year ending 31 December 2023	
	Amount	%	Amount	%
Preserved pastry goods	144 538 618	87.41	142 079 709	87.05
Confectionery	20 281 996	12.27	20 934 184	12.83
Merchandise	393 431	0.24	103 172	0.06
Services	132 220	0.08	103 101	0.06
Total sale	<u>165 346 265</u>	<u>100.00</u>	<u>163 220 166</u>	<u>100.00</u>

16. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

	Balance 31 December 2024	Balance 1 January 2024	Change	Changes in Inventory Accounts	Difference
Work in progress	210 756	228 402	(17 646)	(17 646)	-
Semi-finished goods	236 718	275 395	(38 677)	(26 750)	(11 927)
Products	5 299 810	5 459 999	(160 189)	168 909	(329 098)
Total	<u>5 747 284</u>	<u>5 963 796</u>	<u>(216 512)</u>	<u>124 513</u>	<u>(341 025)</u>

The difference of EUR 341 025 between the changes in the inventory balances and the 'changes in inventory' accounts is mainly accounted for by expenditures on samples for marketing, testing and control purposes, and for hospitality and promotion.

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17. CONSUMABLES AND SERVICES

	<i>Year ending</i>	
	31 Dec 2024	31 Dec 2023
Consumed raw materials	67 676 774	72 632 834
Consumed energy	5 659 546	8 923 755
Consumed merchandise	302 640	57 106
Services	17 911 024	16 439 534
Total consumables and services	<u>91 549 984</u>	<u>98 053 229</u>

The audit firm provided assurance services for the audit of the Company's financial statements. Their fee did not exceed EUR 120,000.

Expenses from transactions with subsidiaries:

	<i>Year ending</i>	
	31 Dec 2024	31 Dec 2023
Purchased raw materials	1 968	-
Purchased merchandise	-	-
Services	221 075	222 580
Total	<u>223 043</u>	<u>222 580</u>

18. PERSONNEL EXPENSES

Personnel expenses comprise the following:

	<i>Year ending</i>	
	31 Dec 2024	31 Dec 2023
Wages and salaries	20 282 507	21 703 072
Social security costs	7 645 104	7 110 278
Other labour expenses	2 678 105	1 711 644
Total personnel expenses	<u>30 605 716</u>	<u>30 524 994</u>

As of 31 December 2024, the Company recorded a provision in other labour costs to cover commitments to employees in respect of employee benefits as an increase of EUR 463 676 (31 December 2023: a decrease of EUR 52 269).

	<i>Year ending</i>	
	31 Dec 2024	31 Dec 2023
Total average recalculated number of employees	982	964
<i>Of which: management employees</i>	<i>11</i>	<i>10</i>

	<i>Year ending</i>	
	31 Dec 2024	31 Dec 2023
Total number of employees	990	936
<i>Of which: management employees</i>	<i>9</i>	<i>9</i>

19. OTHER OPERATING (COSTS)/REVENUES

Other operating (costs)/revenues comprise the following:

	<i>Year ending</i>	
	31 Dec 2024	31 Dec 2023
Taxes and charges	(338 690)	(232 621)
Profit on the sale of property, plant and equipment	333 741	19 620
Profit / (loss) on the sale of inventories	(11 134)	(8 600)
Reversal of provision for receivables, net and receivables written off	(16 464)	33 794
Insurance charges	(420 909)	(429 439)

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Other (costs) / revenues, net	(2 746 063)	828 922
Total other operating (costs)/revenues, net	(3 199 519)	211 676

Sale of machinery and equipment to subsidiaries in the year ending 31 December 2024 made a profit of EUR 6 266 (31 Dec 2023 profit: EUR 0).

The earned profit on the sale of inventories to subsidiaries in 2024 amounted to EUR 86 (31 December 2023: EUR 106).

Other costs mainly relate to investments abandoned by Company decision.

20. INTEREST INCOME

	<i>Year ending</i>	
	31 Dec 2024	31 Dec 2023
Total interest income	1 252 389	422 950
<i>Of which: related parties – subsidiaries</i>	-	-

21. INTEREST EXPENSE

	<i>Year ending</i>	
	31 Dec 2024	31 Dec 2023
Total interest expense	2 336 699	2 575 572
<i>Of which: related parties – subsidiaries</i>	17 116	72 000

22. FOREIGN EXCHANGE DIFFERENCES

	<i>Year ending</i>	
	31 Dec 2024	31 Dec 2023
Foreign exchange gains	436 301	1 649 927
Foreign exchange losses	(1 262 698)	(1 116 561)
Total foreign exchange differences, net	(826 397)	533 366

23. OTHER FINANCE INCOME/(COSTS)

	<i>Year ending</i>	
	31 Dec 2024	31 Dec 2023
Income/(costs) from the sale of shares	(339 616)	-
Income/(costs) from shares	13 263 322	-
Bank charges and other expenses for financing activities	(18 392)	(20 109)
Total other finance income/(costs), net	12 905 314	(20 109)

24. INCOME TAXES

24.1. Income Taxes

Income taxes comprise the following:

	<i>Year ending</i>	
	31 Dec 2024	31 Dec 2023
Current income tax	(242 300)	(85 159)
Deferred income tax recognised in expenses	(19 340 721)	(4 492 340)
Income tax in the profit/loss	(19 583 021)	(4 577 499)

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Deferred income tax on comprehensive income	(8 057)	33 893
Total income taxes	(19 591 078)	(4 543 606)

24.2. Income Tax Reconciliation

The reconciliation of income tax payable computed at the statutory 21 percent tax rate, the reconciliation of deferred income tax computed at the 21 percent tax rate, and the conversion of deferred tax balances computed at the 24 percent tax rate charged to expense, includes:

	Year ending 31 December 2024
Profit before income taxes	37 112 657
Tax at local taxation rate of 21%	(7 793 658)
Tax effect of permanent differences	(252 665)
Effect of withholding tax at 19%	25 048
Effect of derecognition of a tax asset-goodwill	(7 878 334)
Impact of the tax rate change to 24%	(3 683 412)
Total income taxes	19 583 021

	Year ending 31 December 2023
Profit before income taxes	20 953 964
Tax at local taxation rate of 21%	(4 400 332)
Tax effect of permanent differences	(185 626)
Effect of withholding tax at 19%	8 459
Total income taxes	4 577 499

24.3. Deferred Income Tax

Deferred income tax comprises the following:

Deferred tax liabilities	31 Dec 2024	31 Dec 2023
Receivables	18 229	12 834
Non-current assets	(31 186 854)	(27 007 744)
Provisions for liabilities – employees	863 984	1 219 430
Inventories	203 450	93 016
Unbilled supplies – estimates, after payment	110 141	130 819
Sunk investments	649 176	80 483
Non-current assets – Goodwill	-	15 476 134
Other	13 535	15 467
Total deferred tax liability, net	(29 328 339)	(9 979 561)

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

The following is an analysis of the deferred tax balances (after offset) for balance sheet purposes:

	31 December 2024	31 December 2023
Deferred tax asset	2 269 197	17 028 183
Deferred tax liabilities	(31 597 536)	(27 007 744)
Total deferred tax liability, net	(29 328 339)	(9 979 561)

25. EARNINGS PER SHARE

Earnings per share are calculated as a proportion of net income attributable to the equity holders of I.D.C. Holding, a.s. and the weighted average number of shares outstanding in the relevant year.

26. RELATED PARTY TRANSACTIONS

26.1. Related Parties

Related parties include shareholders, members of the Company's bodies, key management and subsidiaries. Transactions and balances with subsidiaries are described in the relevant Notes.

Transactions between the Company and related parties are at arm's length and at arm's length prices.

The Company reported the following balances and transactions from and to the related parties except subsidiaries:

	31 December 2024	31 December 2023
Payables – short-term	-	-
Current receivables	2 700	-
	Year ending	
	31 December 2024	31 December 2023
Revenues from service and sale transactions	63 944	140
Consumed raw materials and services	47 817	75 280
Expenses for loans, borrowings	-	-
Acquisition of assets	-	-

26.2. Salaries Paid to the Company's Directors and Remuneration of Members of the Company's Bodies

Salaries paid to the Company's Directors and remuneration paid to the members of the Company's bodies during the years ended 31 December 2024 and 31 December 2023 amounted to EUR 3 357 240 and EUR 1 357 696, respectively. Salaries and bonuses are included in labour and related expenses. No other benefits were provided during the years ending 31 December 2024 and 31 December 2023.

The breakdown of remuneration paid for the performance of functions is as follows:

	Year ending	
	31 December 2024	31 December 2023
Statutory bodies	1 411 837	360 045
Supervisory bodies	30 000	30 270
Other	-	540
Total labour and related expenses	1 441 837	390 855

27. COMMITMENTS AND CONTINGENCIES

27.1. Environmental Matters

Management believes that the Company complies with relevant existing legislation in all material respects. It is not expected that the Company may become liable to make significant payments relating to the environment in the future.

27.2. Capital Expenditure

The Company has prepared an investment plan for 2025 totalling EUR 6 254 000, of which EUR 2 988 000 represents contracted activities under the 2025 investment plan. Implementation of the projects depends on the availability of financing and the future investment decisions of the Group's management.

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27.3. Taxes

The tax environment in which the Company operates in Slovakia depends on the prevailing tax legislation and practice with a relatively-low number of precedents. As the tax authorities do not provide an official interpretation of tax laws, there is a risk that the tax authorities may request tax base adjustments.

Tax returns remain open and may be subject to review for a period of five years. The fact that a certain period or a tax return related to that period was subject to a review does not exclude this period from any other review during the five-year period. This means that the Company's tax returns for 2020 to 2024 are open and may be subject to review.

27.4. Commitments from Guarantees

The Company does not record any guarantee as at 31 December 2024 (31 December 2023: EUR 0).

28. FINANCIAL RISK MANAGEMENT

28.1. Capital Risk Management

The Company manages its capital to ensure that the Company will be able to continue as a going concern with the aim to achieve an optimum debt and equity balance. The Company's overall strategy has not changed compared to 2023.

The gearing ratio was as follows:

	31 Dec 2024	31 Dec 2023
Debt (i)	113 280 812	136 816 060
Cash and cash equivalents	<u>(58 694 581)</u>	<u>(36 779 101)</u>
Net debt	54 586 231	100 036 959
Equity (ii)	<u>130 472 837</u>	<u>162 830 183</u>
Net debt to equity ratio	<u>42%</u>	<u>61%</u>

(i) Debt is defined as current and non-current interest-bearing loans and borrowings.

(ii) Note 10

28.2. Categories of Financial Instruments

	31 Dec 2024	31 Dec 2023
Borrowings and receivables (including cash and cash equivalents)	74 854 068	53 051 659
Financial Assets	<u>74 854 068</u>	<u>53 051 659</u>
Other borrowings, bank loans and bonds recognised at amortised costs	113 280 812	136 816 060
Trade and other payables	<u>59 259 192</u>	<u>17 197 991</u>
Financial liabilities	<u>172 540 004</u>	<u>154 014 051</u>

(1) Financial Risk Factors

The Company is exposed to various financial risks that include the impact of movements in foreign currency exchange rates, interest on loans, and commodity prices. In its risk management programme, the Company concentrates on the unpredictable nature of financial markets and seeks to minimise their potential negative impact on the Company's financial situation.

Foreign Exchange Risk

The Group operates on international markets and is exposed to foreign exchange risk associated with foreign currency transactions, denominated mainly in CZK, PLN and HUF.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the balance sheet date are as follows:

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	<i>Liabilities</i>		<i>Assets</i>	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
CZK	371	3 855	3 566 452	17 090 602
HUF	2 471	-	885 245	432 434
PLN	2 723	1 621	6 433 539	3 990 583
Other	-	-	-	-

The following table presents the Company's sensitivity to a 15% increase/decrease in EUR against CZK, HUF and PLN (2023: 15%). The sensitivity analysis includes monetary items denominated in foreign currencies and adjusts their translation at the end of the reporting period for the aforementioned change in foreign currency rates. Positive balances indicate an increase in profit and other equity items upon the euro's decline against the relevant currency. The appreciation of the euro against the relevant currency would result in a similar but opposite impact on the profit and other equity items.

	<i>CZK</i>		<i>HUF</i>	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Profit/ (Loss)	534 912	2 563 012	132 416	64 865

	<i>PLN</i>	
	31 December 2024	31 December 2023
Profit/ (Loss)	964 622	598 344

(i) Commodity Price Movement Risk

The Company uses fixed price contracts that last between six months and a year for the purchase of raw materials to minimise the commodity price movement risk.

Due to significant commodity price movements, which enter into and have an impact on prices of strategic raw materials and packaging, some contracts were opened, and price adjustments were negotiated, including the fixing of prices for shorter periods.

(ii) Interest Rate Risk

Operating revenues and operating cash flows of the Company are independent, to a large extent, of changes in interest rates on the market. The Company has a loan portfolio with fixed or floating interest rates (see Note 11).

The Company has interest-bearing external debts, and pays floating interest rates to creditors; therefore, upon changes in market interest rates the Company may be exposed to interest rate risk. The risk is managed by setting the proportion of fixed and floating rate borrowings on total interest-bearing external debt. The amount of floating rate borrowings must not exceed 50% of total interest-bearing external debt.

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the balance sheet date. The analysis was prepared for liabilities with a variable rate and under the assumption that the amount of the outstanding liability as at the balance sheet date was outstanding for the entire year.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit for the period ended 31 December 2024 would increase/decrease by EUR 0 (2023: increase/decrease by EUR 0). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

(iii) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in a financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

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Transactions in derivatives and cash are limited to reputable financial institutions. The Company did not limit the amount of credit exposure to any one financial institution.

(iv) Liquidity Risk

Prudent liquidity risk management assumes the maintenance of a sufficient amount of cash and marketable securities, availability of financing through adequate credit lines, and ability to close open market positions. The Company maintains a sufficient amount of cash and marketable securities.

The following tables summarise the residual maturity of the Company's non-derivative financial liabilities, against creditors who are not related parties within the I.D.C. Holding Group. The tables have been 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. The table includes both interest and principal cash flows during the term of the loan agreement.

	Weighted Average Effective Interest Rate	Up to 1 Month	1 - 3 Months	3 + Months Up to 1 Year	1 - 5 Years	5 + Years	Total
31 December 2024							
Interest-free liabilities	-	54 344 345	1 196 071	3 581 694	-	-	59 122 110
Lease	3.26%	6 208	12 416	42 759	85 517	-	146 900
Fixed interest rate instruments (bonds, loans and borrowings)	1.71%	113 439 764	-	-	-	-	113 439 764
		167 790 317	1 208 487	3 624 453	85 517	-	172 708 774

	Weighted Average Effective Interest Rate	Up to 1 Month	1 - 3 Months	3 + Months Up to 1 Year	1 - 5 Years	5 + Years	Total
31 December 2023							
Interest-free liabilities	-	9 872 770	4 473 181	2 652 835	-	-	16 998 786
Lease	3.26%	5 900	11 801	53 102	137 669	-	208 472
Fixed interest rate instruments (bonds, loans and borrowings)	1.80%	-	6 000 000	15 049 230	59 392 800	63 950 595	144 392 625
		9 878 670	10 484 982	17 755 167	59 530 469	63 950 595	161 599 883

(2) Fair Value Estimation

The fair value of publicly-traded derivatives and investments available for sale or measured at fair value through profit or loss is based on quoted market prices as of the balance sheet date. The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the balance sheet date. The fair value of interest rate swaps is calculated as a present value of expected future cash flows.

When determining the fair value of non-traded derivatives and other financial instruments, the Company applies a number of methods and market assumptions based on the market conditions prevailing at the balance sheet date. Other methods, in particular the expected discounted value of future cash flows, are used to determine the fair value of other financial instruments.

The face values of financial assets and liabilities net of any adjustments with maturity within one year approximately correspond to their fair value. For the purposes of its recognition in the notes, the fair value of the financial liabilities is set based on discounted future contractual cash flows at the present market interest rate available to the Company for similar financial instruments.

(3) Fair Value Measurements in the Statement of Financial Position

Fair value measurements of recognised financial instruments are those that are derived from inputs that are not observable in the market for the asset or liability, either directly or indirectly (Level 3 measurements in terms of the hierarchy used in IFRS 7).

29. POST BALANCE SHEET EVENTS

On 8 January 2025, the Company's acquisition was completed and it became part of Valeo Foods Group. I.D.C. Holding, a.s., became a 100 % subsidiary of Valeo Foods Slovakia Bidco s.r.o. The shareholder's voting rights are the same as their percentage share in the share capital. The sole shareholder decided to increase the share capital by subscribing one share with a face value of EUR 3 320 for an issue price of EUR 84 880 757. In January 2025, the sole shareholder paid the corresponding cash contribution of EUR 84 880 757, of which EUR 3 320 was allocated to increase of the company's share capital and the remaining sum of EUR 84 877 437 was allocated to the share premium account.

30. PREPARATION OF THE SEPARATE FINANCIAL STATEMENTS

The separate financial statements on pages 2 to 32 were signed on behalf of the Board of Directors of I.D.C. Holding, a.s. on 31 March 2025 by Jana Račková, Chairman of the Board of Directors and Milena Rusnoková, Member of the Board of Directors.

***Signature of a member of the
statutory body of the reporting entity:***



Jana Račková
Chairman of the Board of Directors



Milena Rusnoková
Member of the Board of Directors