

**LIMITED LIABILITY COMPANY  
"PLASTCHIM UKRAINE"**

FINANCIAL STATEMENTS  
for the year ended 31 December 2025  
with Independent Auditor's Report

**FINANCIAL STATEMENTS**  
for the year ended 31 December 2025

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## INDEPENDENT AUDITOR'S REPORT

*To the Management and Owners of LIMITED LIABILITY COMPANY "PLASTCHIM UKRAINE "*

### Qualified Opinion

We have audited the financial statements of LIMITED LIABILITY COMPANY "PLASTCHIM UKRAINE" (the Company) which comprise the balance sheet (statement of financial position) as at 31 December 2025, and the statement of profit and loss (statement of comprehensive income), statement of cash flows and statement of equity capital for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with Ukrainian accounting standards ("NP(S)BO") and the requirements of the Ukrainian legislation on financial reporting.

### Basis for Qualified Opinion

In Note 13 "Income Taxes" to the financial statements, the Company disclosed the tax effect of other permanent differences on income tax expense amounting to UAH 5 953 thousand as of 31 December 2025 and UAH 9 322 thousand as of 31 December 2024. As of the date of this auditor's report, we had not obtained documents supporting the other operating expenses incurred, on the basis of which a permanent tax difference increasing the taxable profit of the previous reporting period is recognized. As a result, we were unable to obtain sufficient and appropriate audit evidence about the completeness of this disclosure as at 31 December 2025 and 31 December 2024. We were unable to determine whether any adjustments to the transactions are necessary that could affect the financial results for 2025 and 2024.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Ukraine, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Material Uncertainty Related to Going Concern

We draw attention to Note 2 and Note 3 to the financial statements that describe the impact of the ongoing military invasion of the Russian Federation and economic instability in Ukraine, as well as management's assumptions about the Company's ability to continue as a going concern. These events or conditions, along with other matters specified in notes, indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Other information

Management is responsible for the other information. The other information comprises the management report (but does not include the Company's financial statements and our independent auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management report and, in doing so, consider whether there is a material inconsistency between the financial information disclosed in the management report and the financial statements or other information, obtained during the audit, or whether the management report otherwise appears to be materially misstated. We have not identified any inconsistencies between the financial information in the management report and the Company's financial statements for the reporting period and/or with other information obtained during the audit. At the same time, we are unable to conclude whether the management report is free from material misstatement with respect to the matter described in the *Basis for Qualified Opinion* section of our auditor's report.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with NP(S)BO and the requirements of the Ukrainian legislation on financial reporting, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless owners either intend to liquidate the Company or to cease operations, or have 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 Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

The Engagement partner on the audit resulting in this independent auditor's report is Oleksandr Bilyk.  
Registration number in the Register of Auditors and Audit Entities: 100517

Oleksandr BILYK on behalf of NEXIA DK AUDIT LLC  
Kyiv, 17 April 2026



## STATEMENT ON MANAGEMENT'S RESPONSIBILITY FOR PREPARATION AND APPROVAL OF FINANCIAL STATEMENTS

The hereinafter statement, which should be read together with the description of the duties of independent auditor, included in the above presented Independent Auditor's Report, is made in order to differentiate between the responsibilities of the management of Limited Liability Company "Plastchim Ukraine" ("the Company") and mentioned independent auditor as to the financial statements of the Company.

Management of the Company is responsible for the preparation of the financial statements that present fairly, in all material respects, the financial position of the Company as at 31 December 2025, its financial performance and cash flows for the year then ended 31 December 2025 in accordance with Ukrainian accounting standards ("NP(S)BO").

In the course of preparation of the financial statements the management of the Company is responsible for:


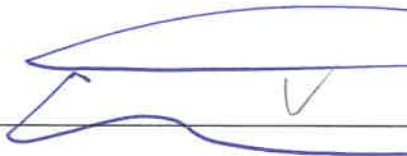
- Selecting and applying appropriate accounting policies;
- Applying reasonable estimates and assumptions;
- Following the respective NP(S)BO and disclosure of all material deviations from NP(S)BOs in the notes to the financial statements;
- Preparation of the financial statements based on the assumption that the Company will continue as a going concern except the cases when such assumption is inappropriate.

Management is also responsible for:

- Designing, implementing and maintaining the effective and reliable internal control;
- Support of the accounting system which enables to prepare the information concerning the financial position of the Company with an appropriate level of accuracy at any time and guarantee the compliance of the financial statements with the requirements of NP(S)BO;
- Taking measures within their competence in order to ensure safekeeping of the assets of the Company;
- Prevention and detection of frauds and other abuses.

The Company's financial statements as of 31 December 2025 were approved by its management on 17 April 2026.

(Signature)



(Signature)

**Executive director / Dmytro Pasichnyk**  
(Position / Name)

**Chief Accountant / Olena Besedina**  
(Position / Name)



FINANCIAL STATEMENTS  
for the year ended 31 December 2025

Appendix 1  
To Ukrainian Accounting Standard 1  
"General requirements to financial statements"

Entity: Limited Liability Company "PLASTCHIM UKRAINE"  
Territory: Volyn region  
Type of an entity: Limited Liability Company  
Type of economic activity: Manufacturing of plastic plates, sheets, tubes and profiles  
Average number of employees: 98  
Address: 43020, Volyn region, Lutsk city, Rivnenska street, building 76A  
Measuring unit: Thousands of UAH

Date (year month day)  
acc. to EDRPOU  
acc. to KATOTTG  
acc. to KOPFG  
acc. to KVED

CODES
2026   01   01
39555868
UA07080170010083384
240
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**BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)**  
as of 31 December 2025

Form № 1

DKUD

1801001

Assets	Item No	Notes	At the beginning of the year	At the end of the year
1	2	3	4	5
<b>I. Non-current assets</b>				
Intangible assets:	1000		219	207
cost	1001		874	863
accumulated amortization	1002		655	656
Construction-in-progress	1005		9 427	3 147
Property, plant and equipment:	1010		250 017	253 345
cost	1011		329 218	360 128
accumulated depreciation	1012		79 201	106 783
Long-term trade receivables	1040		-	-
Deferred tax assets	1045	13	-	-
Other non-current assets	1090		-	-
<b>Total, non-current assets</b>	<b>1095</b>		<b>259 663</b>	<b>256 699</b>
<b>II. Current assets</b>				
Inventories	1100	14	103 637	112 444
raw materials and supplies	1101		46 344	58 768
work-in-progress	1102		7 689	4 791
finished goods	1103		15 354	14 847
merchandise	1104		34 250	34 038
Trade receivables	1125		297 957	285 526
Other accounts receivable:				-
prepayments made	1130		6 928	6 610
due from State budget	1135	15	4 956	4 346
including income tax	1136		1 829	1 241
Accrued income receivables	1140		-	-
Accounts receivable on intercompany settlements	1145		-	-
Other current receivables	1155		59	135
Cash and cash equivalents	1165	16	7 338	549
petty cash	1167		-	-
current bank accounts	1167		7 338	549
Deferred expenses	1170		543	442
Other current assets	1190		2 698	796
<b>Total, current assets</b>	<b>1195</b>		<b>424 116</b>	<b>410 848</b>
III. Non-current assets held for sale and discontinued operations	1200		-	-
<b>TOTAL</b>	<b>1300</b>		<b>683 779</b>	<b>667 547</b>

FINANCIAL STATEMENTS  
for the year ended 31 December 2025

Equity capital and Liabilities	Item No	Notes	At the beginning of the year	At the end of the year
1	2	3	4	5
<b>I. Equity</b>				
Registered (share) capital	1400	17	12 000	59 169
Revaluation reserve	1405	17	37 352	58 941
Additional capital	1410		-	-
share premium	1411		-	-
Capital reserves	1415		-	-
Retained earnings	1420		4 721	(27 518)
Unpaid capital	1425		-	-
Treasury shares	1430		-	-
Other reserves	1435		-	-
<b>Total, equity</b>	<b>1495</b>		<b>54 073</b>	<b>90 592</b>
<b>II. Long-term liabilities and provisions</b>				
Deferred tax liabilities	1500	13	7 754	10 769
Pension plan liabilities	1505		-	-
Long-term bank loans	1510	18	80 006	63 280
Other long-term liabilities	1515		-	-
Long-term provisions	1520		-	-
Long-term provisions on payments to employees	1521		-	-
Special-purpose financing	1525		-	-
<b>Total, long-term liabilities and provisions</b>	<b>1595</b>		<b>87 760</b>	<b>74 049</b>
<b>III. Current liabilities</b>				
Short-term bank loans	1600		-	24 961
Current payables for:				-
long-term liabilities	1610	18	17 760	16 243
goods, works, services	1615	19	457 306	393 919
due to State budget	1620		411	549
including income tax	1621		-	-
payables for insurance	1625		416	509
payables to employees	1630		1 477	1 922
advances received	1635		13 790	4 364
payables to equity owners	1640		-	-
Payables for internal transactions	1645		-	-
Current provisions	1660		2 978	3 814
Deferred income	1665		-	-
Other current liabilities	1690	18, 20	47 808	56 625
<b>Total, current liabilities</b>	<b>1695</b>		<b>541 946</b>	<b>502 906</b>
IV. Liabilities arising from non-current assets held for sale and discontinued operations	1700		-	-
<b>TOTAL</b>	<b>1900</b>		<b>683 779</b>	<b>667 547</b>

Executive director

Dmytro Pasichnyk

Chief Accountant

Olena Besedina



*(Handwritten signatures of Dmytro Pasichnyk and Olena Besedina)*

LLC "PLASTCHIM UKRAINE"

FINANCIAL STATEMENTS  
for the year ended 31 December 2025

Entity:

**LIMITED LIABILITY COMPANY**  
**"PLASTCHIM UKRAINE"**  
(name)

Date (year month day)  
acc. to EDRPOU

CODES		
2026	01	01
39555868		

**STATEMENT OF PROFIT AND LOSS**  
**(STATEMENT OF COMPREHENSIVE INCOME)**  
for the year 2025

Form № 2

DKUD

1801003

**I. PROFIT AND LOSS**

Item	Item No	Notes	For reporting period	For the previous period
1	2	3	4	5
Net revenue from sales of finished goods (merchandise, works, services)	2000	4	1 513 243	1 441 790
Cost of sales of finished goods (merchandise, works, services)	2050	5	(1 408 610)	(1 407 528)
<b>Gross:</b>			-	-
profit	2090		<b>104 633</b>	<b>34 262</b>
loss	2095		-	-
Other operating income	2120	6	9 872	7 069
Administrative expenses	2130	7	(35 404)	(32 381)
Selling expenses	2150	8	(19 802)	(19 967)
Other operating expenses	2180	9	(57 711)	(23 631)
<b>Finance result from operating activities:</b>				
profit	2190		<b>1 588</b>	<b>(34 648)</b>
loss	2195		-	-
Share of profit from associates and joint ventures at equity method	2200		-	-
Other financial income	2220		-	86
Other income	2240	10	913	6 655
Financial expenses	2250	11	(18 131)	(15 570)
Share of loss from associates and joint ventures at equity method	2255		-	-
Other expenses	2270	12	(18 321)	(10 282)
<b>Result before income tax:</b>				
profit	2290		-	-
loss	2295		<b>(33 951)</b>	<b>(53 759)</b>
(Expenses) benefit from income tax	2300	13	878	277
Profit (loss) from discontinued operations after tax	2305		-	-
Net result for the year:			-	-
profit	2350		-	-
loss	2355		<b>(33 073)</b>	<b>(53 482)</b>

**II. OTHER COMPREHENSIVE INCOME**

Item	Item No	Notes	For reporting period	For the previous period
1	2	3	4	5
Revaluation of non-current assets	2400		30 408	-
Revaluation of financial instruments	2405		-	-
Accumulated foreign exchange differences	2410		-	-
Share of other comprehensive income of associates and joint ventures	2415		-	-
Other comprehensive income	2445		-	-
Other comprehensive income before income tax	2450		30 408	-
Income tax on other comprehensive income	2455		(5 475)	-
Other comprehensive income after tax	2460		24 933	-
<b>Comprehensive income (items 2350, 2355 and 2460)</b>	<b>2465</b>		<b>(8 140)</b>	<b>(53 482)</b>

These financial statements should be read in conjunction with the attached notes, being the integral part hereof.

**FINANCIAL STATEMENTS**  
for the year ended 31 December 2025

**III. OPERATING EXPENSES**

Item	Item No	Notes	For reporting period	For the previous period
1	2	3	4	5
Raw materials	2500		443 517	470 701
Labor costs	2505		54 598	49 289
Social security charges	2510		11 728	10 399
Depreciation and amortization	2515		31 287	26 526
Other operating expenses	2520		113 894	101 594
<b>Total</b>	<b>2550</b>		<b>655 024</b>	<b>658 509</b>

**IV. EARNINGS PER SHARE**

Item	Item No	Notes	For reporting period	For the previous period
1	2	3	4	5
Average number of ordinary shares	2600		-	-
Diluted average number of ordinary shares	2605		-	-
Earnings per share	2610		-	-
Diluted earnings per share	2615		-	-
Dividends per share	2650		-	-

Executive director

Dmytro Pasichnyk

Chief Accountant

Olena Besedina

The image shows a blue circular official stamp of LLC "PLASTCHIM UKRAINE". The stamp contains the company name in Ukrainian and English, along with the identification number 39554968 and the location UKRAINE, M. KYIV. Two blue ink signatures are written over the stamp, one for Dmytro Pasichnyk and one for Olena Besedina.

FINANCIAL STATEMENTS  
for the year ended 31 December 2025

Entity:

**LIMITED LIABILITY COMPANY**  
**"PLASTCHIM UKRAINE"**

Date (year month day)

acc. to EDRPOU

CODES		
2026	01	01
39555868		

**STATEMENT**  
**OF CASH FLOWS**  
**(direct method)**  
**for the year 2025**

Form № 3

DKUD

1801004

Item	Item No	Notes	For reporting period	For the previous period
1	2	3	4	5
<b>I. Cash flows from operating activities</b>				
Proceeds from:				
Revenue from sales of goods (merchandise, works, services)	3000		1 639 793	1 440 642
Refund of taxes/compulsory charges	3005		19 767	12 536
including value-added tax	3006		19 767	12 536
Special-purpose funding	3010		-	-
Advances received from buyers and customers	3015		152 910	162 911
Return of prepayments made	3020		4 556	3 847
Interest on current accounts balances	3025		768	250
Proceeds from fines and fees from debtors	3035		-	-
Other proceeds	3095		851	653
Payments for:				
Goods (works, services)	3100		(1 356 236)	(1 171 894)
Labor	3105		(41 126)	(39 555)
Social security charges	3110		(11 468)	(10 352)
Taxes and charges	3115		(22 629)	(10 168)
income tax payments	3116		(994)	-
VAT payments	3117		(8 851)	-
other taxes and charges payments	3118		(12 784)	(10 168)
Prepayments made	3135		(412 699)	(310 863)
Return of advances received	3140		(3 229)	(4 390)
Other payments	3190	21	(7 468)	(12 972)
<b>Net cash flows from operating activities</b>	<b>3195</b>		<b>(36 210)</b>	<b>60 645</b>
<b>II. Cash flows from investing activities</b>				
Proceeds from:				
financial investments	3200		-	-
non-current assets	3205		596	888
Proceeds from:				
interests	3215		-	86
dividends	3220		-	-
Payments for:				
financial investments	3255		-	-
non-current assets	3260		(8 935)	(82 565)
Other payments	3290		-	-
<b>Net cash flows from investing activities</b>	<b>3295</b>		<b>(8 339)</b>	<b>(81 591)</b>

These financial statements should be read in conjunction with the attached notes, being the integral part hereof.

FINANCIAL STATEMENTS  
for the year ended 31 December 2025

Item	Item No	Notes	For reporting Period	For the previous period
1	2	3	4	5
III. Cash flows from financing activities				
Proceeds from:				
Equity	3300		47 169	-
Loans and borrowings	3305	18,19	39 987	54 263
Other receipts	3340			-
Payments for:				
Purchase of treasury shares	3345			-
Repayment of borrowings	3350	18	(34 265)	(17 747)
Dividends	3355		-	-
Interest paid	3360	18	I(15 111)	(13 463)
Other payments	3390		-	(512)
<b>Net cash flows from financing activities</b>	<b>3395</b>		<b>37 780</b>	<b>22 541</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>3400</b>		<b>(6 769)</b>	<b>1 595</b>
Cash and cash equivalents at beginning of period	3405		7 338	5 531
Effect of foreign exchange rates on cash and cash equivalents	3410		(20)	212
<b>Cash and cash equivalents at end of period</b>	<b>3415</b>		<b>549</b>	<b>7 338</b>

Executive director

Dmytro Pasichnyk

Chief Accountant

Olena Besedina



FINANCIAL STATEMENTS  
for the year ended 31 December 2025

Entity: **LIMITED LIABILITY COMPANY "PLASTCHIM UKRAINE"**

Date (year month day)  
acc. to EDRPOU

CODES		
2026	01	01
39555868		

STATEMENT OF CHANGES IN EQUITY  
for the year 2025

From № 4

DKUD

1801005

Item	Item No	Registered (share) capital	Revaluation reserve	Additional capital	Capital reserves	Retained earnings	Unpaid capital	Treasury shares	Total
1	2	3	4	5	6	7	8	9	10
<b>At the beginning of the year</b>	<b>4000</b>	<b>12 000</b>	<b>37 352</b>	-	-	<b>4 721</b>	-	-	<b>54 073</b>
<b>Adjustments:</b>									
Changes in accounting policies	4005	-	-	-	-	-	-	-	-
Correction of errors	4010	-	-	-	-	-	-	-	-
Other changes	4090	-	-	-	-	(2 510)	-	-	<b>(2 510)</b>
<b>At the beginning of the year, adjusted</b>	<b>4095</b>	<b>12 000</b>	<b>37 352</b>	-	-	<b>2 211</b>	-	-	<b>51 563</b>
<b>Net result for the year</b>	<b>4100</b>	-	-	-	-	<b>(33 073)</b>	-	-	<b>(33 073)</b>
<b>Other comprehensive income for the year</b>	<b>4110</b>	-	24 933	-	-	-	-	-	<b>24 933</b>
Revaluation of non-current assets	4111	-	24 933	-	-	-	-	-	<b>24 933</b>
<b>Distribution of earnings:</b>									
Dividends	4200	-	-	-	-	-	-	-	-
Transfer to capital reserves	4210	-	-	-	-	-	-	-	-
<b>Contributions by owners:</b>									
Contributions to capital	4240	47 169	-	-	-	-	-	-	<b>47 169</b>
Payments on unpaid capital	4245	-	-	-	-	-	-	-	-
<b>Capital withdrawals:</b>									
Share buyback	4260	-	-	-	-	-	-	-	-
Cancellation of treasury shares	4270	-	-	-	-	-	-	-	-
Other changes in capital	4290	-	(3 344)	-	-	3 344	-	-	-
<b>Total changes in capital</b>	<b>4295</b>	<b>47 169</b>	<b>21 589</b>	-	-	<b>(29 729)</b>	-	-	<b>39 029</b>
<b>At the end of the year</b>	<b>4300</b>	<b>59 169</b>	<b>58 941</b>	-	-	<b>(27 518)</b>	-	-	<b>90 592</b>

Executive director

Dmytro Pasichnyk

Chief Accountant

Olena Besedina

These financial statements should be read in conjunction with the attached notes, being the integral part hereof.

FINANCIAL STATEMENTS  
for the year ended 31 December 2025

Entity: **LIMITED LIABILITY COMPANY "PLASTCHIM UKRAINE"**  
(name)

Date (year month day)  
acc. to EDRPOU

CODES		
2024	01	01
39555868		

STATEMENT OF CHANGES IN EQUITY  
for the year 2024

Item	Item No	Registered (share) capital	Revaluation reserve	Additional capital	Capital reserves	From № 4	DKUD	1801005	
						Retained earnings	Unpaid capital	Treasury shares	Total
1	2	3	4	5	6	7	8	9	10
<b>At the beginning of the year</b>	<b>4000</b>	<b>12 000</b>	<b>40 395</b>	-	-	<b>55 160</b>	-	-	<b>107 555</b>
<b>Adjustments:</b>									
Changes in accounting policies	4005	-	-	-	-	-	-	-	-
Correction of errors	4010	-	-	-	-	-	-	-	-
Other changes	4090	-	-	-	-	-	-	-	-
<b>At the beginning of the year, adjusted</b>	<b>4095</b>	<b>12 000</b>	<b>40 395</b>	-	-	<b>55 160</b>	-	-	<b>107 555</b>
<b>Net result for the year</b>	<b>4100</b>	-	-	-	-	<b>(53 482)</b>	-	-	<b>(53 482)</b>
<b>Other comprehensive income for the year</b>	<b>4110</b>	-	-	-	-	-	-	-	-
<b>Distribution of earnings:</b>									
Dividends	4200	-	-	-	-	-	-	-	-
Transfer to capital reserves	4210	-	-	-	-	-	-	-	-
<b>Contributions by owners:</b>									
Contributions to capital	4240	-	-	-	-	-	-	-	-
Payments on unpaid capital	4245	-	-	-	-	-	-	-	-
<b>Capital withdrawals:</b>									
Share buyback	4260	-	-	-	-	-	-	-	-
Cancellation of treasury shares	4270	-	-	-	-	-	-	-	-
Other changes in capital	4290	-	(3 043)	-	-	3 043	-	-	-
<b>Total changes in capital</b>	<b>4295</b>	-	<b>(3 043)</b>	-	-	<b>(50 439)</b>	-	-	<b>(53 482)</b>
<b>At the end of the year</b>	<b>4300</b>	<b>12 000</b>	<b>37 352</b>	-	-	<b>4 721</b>	-	-	<b>54 073</b>

Executive director

Dmytro Pasichnyk

Chief Accountant

Olena Besedina



These financial statements should be read in conjunction with the attached notes, being the integral part hereof.

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2025  
(in thousands of UAH, unless otherwise specified)

APPROVED  
The order of Ministry of Finance of Ukraine  
29.11.2000 №302

**Entity:** Limited Liability Company "Plastchim Ukraine"

**Territory:** Volyn region

**Type of an entity:** Limited Liability Company

**Type of economic activity:** Manufacturing of plastic plates, sheets, tubes and profiles

**Measuring unit:** Thousands of UAH

Date (year month day)

acc. to EDRPOU

acc. to KATOTTG

acc. to SPODU

acc. to KOPFG

acc. to KVED

CODES		
2025	12	31
39555868		
UA070801700100		
83384		
240		
22.21		

NOTES  
TO THE FINANCIAL STATEMENTS  
for the year 2025

Form № 5

DKUD

1801008

Class of intangible assets	Item No	At the beginning of the year		Additions	Revaluation of		Disposals		Amortization for the year	Impairment for the year	Other changes		At the end of the year	
		cost (revalued cost)	accumulated amortization		cost (revalued cost)	accumulated amortization	cost (revalued cost)	accumulated amortization			cost (revalued cost)	accumulated amortization	cost (revalued cost)	accumulated amortization
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Other intangible assets	070	874	655	78	-	-	89	89	90	-	-	-	863	656
<b>Total</b>	<b>080</b>	<b>874</b>	<b>655</b>	<b>78</b>	-	-	<b>89</b>	<b>89</b>	<b>90</b>	-	-	-	<b>863</b>	<b>656</b>

Item no 080 column 14	cost (revalued cost) of intangible assets with restricted ownership rights	(081)	-
	carrying amount of intangible assets pledged as collateral for liabilities	(082)	-
	carrying amount of internally generated intangible assets	(083)	-
Item no 080 column 5	carrying amount of intangible assets received in result of special-purpose funding	(084)	-
Item no 080 column 15	accumulated amortization of intangible assets with restricted ownership rights	(085)	-

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2025  
(in thousands of UAH, unless otherwise specified)

**II. PROPERTY, PLANT AND EQUIPMENT**

Class of Property, Plant and equipment	Item No	At the beginning of the year		Additions	Revaluation of		Disposals		Depreciation for the year	Impairment of PPE	Other changes		At the end of the year		Including			
		cost (revalued cost)	accumulated depreciation		cost (revalued cost)	accumulated depreciation	cost (revalued cost)	accumulated depreciation			cost (revalued cost)	accumulated depreciation	cost (revalued cost)	accumulated depreciation	PPE received under finance lease agreements		PPE transferred under operating lease agreements	
															cost (revalued cost)	accumulated depreciation	cost (revalued cost)	accumulated depreciation
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Capital expenditures for land improvements	110	719	73	-	96	18	-	-	68	-	-	-	815	159	-	-	-	-
Buildings and structures	120	142 936	17 106	8 747	24 993	5 746	-	-	7 854	-	928	93	177 604	30 799	-	-	-	-
Machinery and equipment	130	176 858	56 189	1 922	(4 352)	(6 618)	536	410	22 142	-	-	-	173 892	71 303	-	-	-	-
Transport vehicles	140	3 036	1 756	3 001	4	1	3 036	1 826	319	-	-	-	3 005	250	-	-	-	-
Furniture and fixtures	150	954	515	254	-	-	-	-	177	-	-	-	1 208	692	-	-	-	-
Perennial plants	170	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other fixed assets	180	42	14	-	-	-	-	-	4	-	-	-	42	18	-	-	-	-
Library assets	190	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Low-value non-negotiable	200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other non-negotiable	250	4 673	3 548	594	-	-	777	526	633	-	(928)	(93)	3 562	3 562	-	-	-	-
<b>Total</b>	<b>260</b>	<b>329 218</b>	<b>79 201</b>	<b>14 518</b>	<b>20 741</b>	<b>(853)</b>	<b>4 349</b>	<b>2 762</b>	<b>31 197</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>360 128</b>	<b>106 783</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Item no 260 column 14	cost (revalued cost) of property, plant and equipment with restricted ownership rights	(261)	-
	cost property, plant and equipment pledged as security for liabilities	(262)	117 617
	cost temporarily idle property, plant and equipment	(263)	393
Item no 260 column 8	cost (revalued cost) of fully depreciated property, plant and equipment	(264)	4 495
Item no 260 column 5	carrying amount of fixed assets lost due to extraordinary events	(265)	-
	cost property, plant and equipment received in result of special-purpose funding	(266)	-
	carrying amount of property, plant and equipment received under operating lease agreements	(267)	-
Item no 260 column 15	accumulated depreciation of property, plant and equipment with restricted ownership rights	(268)	-
Item no 105 column 14	revalued cost of investment property valued at fair value	(269)	-

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2025  
(in thousands of UAH, unless otherwise specified)

**III. CAPITAL EXPENDITURE**

Item	Item No	For the year	At the end of the year
1	2	3	4
Capital construction	280	2 916	170
Purchase (construction) of property, plant and equipment	290	5 608	2 821
Purchase (construction) of other non-current assets	300	475	92
Purchase (generation) of intangible assets	310	142	64
Other	330	-	-
<b>Total</b>	<b>340</b>	<b>9 141</b>	<b>3 147</b>

Item no 340 column 3

capital expenditure on investment property

(341) \_\_\_\_\_ -

financial expenses capitalized

(342) \_\_\_\_\_ -

**IV. FINANCIAL INVESTMENTS**

Line	Line code	For year	At the end of the year	
			Long-term	Short-term
1	2	3	4	5
<b>A. Financial investments using equity meth in:</b>				
Associates	350	-	-	-
Subsidiaries	360	-	-	-
Joint ventures	370	-	-	-
<b>B. Other financial investments:</b>				
Shares in equity of other enterprises	380	-	-	-
Shares	390	-	-	-
Bonds	400	-	-	-
Other	410	-	-	-
<b>Total (section A+ section B)</b>	<b>420</b>	<b>-</b>	<b>-</b>	<b>-</b>

From line 1035 column 4 of Balance Sheet  
(Statement of Financial Position)

Other long-term financial investments carried at:

Cost	(421)	_____	-
Fair value	(422)	_____	-
Amortized cost	(423)	_____	-

From line 1160 column 4 of Balance Sheet  
(Statement of Financial Position)

Current financial investments carried at:

Cost	(424)	_____	-
Fair value	(425)	_____	-
Amortized cost	(426)	_____	-

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2025  
(in thousands of UAH, unless otherwise specified)

**V. INCOME AND EXPENSES**

Item 1	Item No 2	Income 3	Expenses 4
<b>A. Other operating income and expenses</b>			
Operating lease	440	-	-
Operating foreign exchange difference	450	4 588	53 827
Sales of other current assets	460	854	686
Fines and penalties	470	547	29
Other operating income and expenses	490	3 883	3 169
including: bad debt allowance expenses	491	X	-
Non-production costs	492	X	-
<b>B. Other financial income and expenses</b>			
Dividends	530	-	X
Interest	540	X	17 603
Other financial income and expenses	560	-	528
<b>F. Other income and expenses</b>			
Disposal of financial investments	570	-	-
Utility assessment result	590	-	9 662
Non-operating foreign exchange difference	600	-	6 413
Assets received for free	610	199	X
Non-current assets written off	620	-	250
Other income and expenses	630	714	1 996

Barter transactions	(631)	-
Percentage of revenue from barter transactions	(632)	- %
Item no 540-560 column 4 financial expenses included in cost of sales	(633)	-

**VI. CASH AND CASH EQUIVALENTS**

Item 1	Item No 2	At the end of the year 3
Petty cash	640	-
Current bank account	650	254
Other accounts in the bank (letters of credit, checkbooks)	660	295
Cash in transit	670	-
Cash equivalents	680	-
<b>Total</b>	<b>690</b>	<b>549</b>

Item 1090 column 4 of the Balance sheet Cash and cash equivalent balances that are not available for use	(691)	-
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NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2025  
(in thousands of UAH, unless otherwise specified)

**VII. PROVISIONS AND ALLOWANCES**

Type of provision	Item No	At the beginning of the year	Additions		Amounts used during the period	Unused amounts reversed during the period	Amount of expected reimbursement by third party taken into account while estimating a provision	At the end of the year
			Additional provisions made	Additional accruals				
1	2	3	4	5	6	7	8	9
Provision for unused vacation	710	2 978	5 255	-	4 419	-	-	3 814
Pension plan liabilities	720	-	-	-	-	-	-	-
Restructuring liabilities	740	-	-	-	-	-	-	-
Other provisions	760	-	-	-	-	-	-	-
Bad debt allowance	775	-	-	-	-	-	-	-
<b>Total</b>	<b>780</b>	<b>2 978</b>	<b>5 255</b>	<b>-</b>	<b>4 419</b>	<b>-</b>	<b>-</b>	<b>3 814</b>

**VIII. INVENTORIES**

Item	Item No	Carrying amount at the end of the year	Revaluation	
			Reversal of write-down	Write-down
1	2	3	4	5
Raw materials	800	36 282	-	-
Fuel	820	628	-	-
Packing materials	830	7 281	-	-
Building materials	840	1	-	-
Spare parts	850	14 332	-	-
Low value items	880	244	-	-
Work-in-progress	890	4 791	-	-
Finished goods	900	14 847	-	-
Merchandise	910	34 038	-	-
<b>Total</b>	<b>920</b>	<b>112 444</b>	<b>-</b>	<b>-</b>

Item no 920 column 3 carrying amount of inventories:		
carried at fair value less costs to sell	(921)	-
under processing	(922)	-
pledged as security for liabilities	(923)	-
transferred under commission agreements	(924)	-
Inventories held under safe custody (off balance sheet account 02)	(925)	-
Item no 1200 column 4 of the Balance Sheet		
Inventories held for sale		
* is determined by par. 28 of Regulation (Standard) of Accounting 9 "Inventories"	(926)	-

**IX. TRADE RECEIVABLES**

Item	Item No	Carrying amount at the end of the year	including by maturity		
			less than 12 months	from 12 to 18 months	from 18 to 36 months
1	2	3	4	5	6
Trade receivables	940	285 526	285 520	6	-
Other receivables	950	135	135	-	-

Bad debts write off for the reporting period	(951)	-
From items no 940 and 950 column 3: receivables from related parties	(952)	-

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2025  
(in thousands of UAH, unless otherwise specified)

**X. LOSSES AND SHORTAGES RESULTING FROM IMPAIRMENT**

Item 1	Item No 2	Amount 3
Detected (written off) for a year of shortages and losses	960	160

**XI. CONSTRUCTION CONTRACTS**

Line 1	Item No 2	Amount 3
Revenue from construction contracts for reporting year	1110	-
Amounts outstanding at the reporting period end:		
Gross receivables due from customers	1120	-
Gross payables due to customers	1130	-
Advances received	1140	-
Overdue amounts at the year end	1150	-
Cost of works by subcontractors on construction contracts in progress	1160	-

**XII. INCOME TAX**

Item 1	Item No 2	Amount 3
Current tax expense	1210	1 582
Deferred tax assets:		
at the beginning of the year	1220	445
at the end of the year	1225	2 171
Deferred tax liabilities:		
at the beginning of the year	1230	8 199
at the end of the year	1235	12 940
Included in the statement of profit and loss:		
current tax expense	1240	(878)
decrease (increase) in deferred tax assets	1241	1 582
increase (decrease) in deferred tax liabilities	1242	(1 726)
Included in the statement of changes in equity:		
current tax expense	1243	(734)
decrease (increase) in deferred tax assets	1250	-
increase (decrease) in deferred tax liabilities	1251	-
	1252	-
	1253	5 475

**XIII. USE OF DEPRECIATION AND AMORTIZATION CHARGES**

Item 1	Item No 2	Amount 3
Accrued for the year	1300	31 287
Used during the year	1310	9 141
Including:		
construction of objects	1311	2 916
purchase (construction) and modernization of property, plant and equipment	1312	5 608
including machinery and equipment	1313	-
purchase (generation) of intangible assets	1314	142
repayment of loans received for capital investments	1315	-
Purchase (manufacturing) of other non-current tangible assets	1316	475
Acquisition (cultivation) of long-term biological assets	1317	-

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025

(in thousands of UAH, unless otherwise specified)

XIV. BIOLOGICAL ASSETS

Biological assets group	Line code	At cost									At fair value					
		Balance at the beginning of the year		Additions	Disposed of		Depreciation charge	Impairment loss	Income from recovery of impairment	Balance at the end of the year		Balance at the beginning of the year	Additions	Change in fair value	Disposed of	Balance at the end of the year
		Cost	Accumulated depreciation		Cost	Accumulated depreciation				Cost	Accumulated depreciation					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
<b>Long-term biological assets - total</b>	1410	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
including:																
Working livestock	1411	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Productive livestock	1412	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Perennial plants	1413	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1414	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other long-term biological assets	1415	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Current biological assets - total</b>	1420	-	X	-	-	X	X	-	-	-	X	-	-	-	-	-
including:																
Livestock	1421	-	X	-	-	X	X	-	-	-	X	-	-	-	-	-
Biological assets in process of biological transformation (except for livestock)	1422	-	X	-	-	X	X	-	-	-	X	-	-	-	-	-
Other current biological assets	1424	-	X	-	-	X	X	-	-	-	X	-	-	-	-	-
<b>Total</b>	<b>1430</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

From line 1430 column 5 and column 14	Value of biological assets purchased through special-purpose financing	(1431)	-
From line 1430 column 6 and column 16	Net book value of long-term biological assets, cost of current biological assets and fair value of biological assets lost as a result of force majeure	(1432)	-
From line column 11 and column 17	Carrying amount of biological assets with restricted ownership rights	(1433)	-

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2025  
(in thousands of UAH, unless otherwise specified)

**XV. FINANCE RESULTS FROM INITIAL RECOGNITION AND REALIZATION OF AGRICULTURAL PRODUCE AND ADDITIONAL BIOLOGICAL ASSETS**

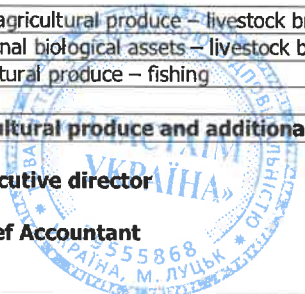
Line	Line code	Initial recognition value	Expenses related to biological transformation	Result from initial recognition		Impairment	Revenue from sales	Cost of sales	Financial result (profit +, loss -) from	
				Gain	Loss				Realization	Initial recognition and realization
1	2	3	4	5	6	7	8	9	10	11
<b>Agricultural produce and additional biological assets in plant growing – total</b>	1500	-	-	-	-	-	-	-	-	-
including:										
cereals and legumes	1510	-	-	-	-	-	-	-	-	-
From them:										
Wheat	1511	-	-	-	-	-	-	-	-	-
Soy	1512	-	-	-	-	-	-	-	-	-
Sunflower	1513	-	-	-	-	-	-	-	-	-
Rapeseed	1514	-	-	-	-	-	-	-	-	-
Sugar beetroots	1515	-	-	-	-	-	-	-	-	-
Potatoes	1516	-	-	-	-	-	-	-	-	-
Fruit (berry, drupaceous)	1517	-	-	-	-	-	-	-	-	-
Other agricultural produce – plant growing	1518	-	-	-	-	-	-	-	-	-
Additional biological assets – plant growing	1519	-	-	-	-	-	-	-	-	-
<b>Agricultural produce and additional biological assets in livestock breeding – total</b>	1520	-	-	-	-	-	-	-	-	-
including:										
Gain in weight – total	1530									
From them:										
Cattle	1531	-	-	-	-	-	-	-	-	-
Pigs	1532	-	-	-	-	-	-	-	-	-
Milk	1533	-	-	-	-	-	-	-	-	-
Wool	1534	-	-	-	-	-	-	-	-	-
Eggs	1535	-	-	-	-	-	-	-	-	-
Other agricultural produce – livestock breeding	1536	-	-	-	-	-	-	-	-	-
Additional biological assets – livestock breeding	1537	-	-	-	-	-	-	-	-	-
Agricultural produce – fishing	1538	-	-	-	-	-	-	-	-	-
	1539	-	-	-	-	-	-	-	-	-
<b>Agricultural produce and additional biological assets - total</b>	1540	-	-	-	-	-	-	-	-	-

Executive director

Dmytro Pasichnyk

Chief Accountant

Olena Besedina



## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025

(in thousands of UAH, unless otherwise specified)

### 1. Information about the Company and core lines of business

Limited Liability Company "Plastchim Ukraine" (hereinafter – the "Company") is engaged in the production and sale of polypropylene shrink (packaging and tobacco) film.

The Company is a limited liability company by its legal form.

The principal activity of the Company is the production of polymer films for food and non-food products. The Company specializes in the manufacturing of high-quality packaging and tobacco films, including shrink films and films with enhanced technical characteristics. The Company's products are sold both in the domestic market of Ukraine and exported to European countries and other regions, including Poland, Germany, Slovakia, Belgium, Spain, and China. As of 31 December 2025, the Company is wholly owned by JSC "Plastchim-T" (Bulgaria).

Legal and actual address: Ukraine, 43020, Volyn region, Lutsk city, Rivnenska street, building 76A.

The average number of personnel in 2025 was 98 employees (2024: 139).

### 2. The Company's operating environment

The Ukrainian economy, as before, is characterized by the signs and risks of a market with a transition economy. Such features include, but are not limited to, the low level of liquidity in the capital markets, the relatively high level of inflation and the presence of currency controls, which do not allow the national currency to be a liquid means of payment outside of Ukraine. The stability of Ukraine's economy largely depends on the government's policies and actions aimed at reforming the administrative and legal systems, as well as the economy as a whole.

In recent years, against the background of the restriction of political and economic ties with the Russian Federation, Ukraine has reoriented its economy to close cooperation with the countries of the European Union ("EU"), realizing the potential of the established Deep and Comprehensive Free Trade Area ("DCFTA") with the EU.

Starting from 24 February 2022, large-scale hostilities related to the invasion of the Russian Federation continue in Ukraine. This aggression is a continuation of the Russian-Ukrainian war, which was started by the Russian Federation with the seizure of Crimea in February-March 2014 and the war in certain areas of Luhansk and Donetsk regions since April 2014.

As a result of the military invasion of the Russian Federation, full-scale hostilities broke out and continue a large territory, covering several regions of Northern, Eastern and Southern Ukraine. The airspace is closed to civil aviation; objects of military and civilian infrastructure throughout the territory of Ukraine are regularly subjected to rocket and bomb attacks, artillery shelling. In Ukraine, starting from 24 February 2022, martial law is in effect continuously.

Throughout 2025, Ukraine's economy continued to operate under conditions of attacks on energy infrastructure, disrupted domestic and international logistics, and high security risks. Nevertheless, according to preliminary estimates of the Ministry of Economy, Environment and Agriculture of Ukraine, in 2025 Ukraine's real GDP increased by 2.2% (2024: growth of 2.9%). Positive trends were observed in such key sectors as retail trade, construction, defense and manufacturing industries, production of construction materials, metallurgy, and others.

In December 2025, inflation in Ukraine slowed to 8.0% year-on-year (2024: 12.0%). The main drivers of price growth were: an increase in business costs for energy supply, logistics and wages (due to labor shortages); low harvests caused by adverse weather, which significantly pushed up food prices in the first half of the year; depreciation of the hryvnia (from UAH 43.69 per EUR at the beginning of the year to UAH 49.86 per EUR at the end of the year), which led to a noticeable increase in prices of imported goods and fuel; strong exports amid resilient domestic consumer demand; and tax and regulatory changes.

The main risks for economic development and business activity in Ukraine are a longer term and/or a possible expansion of the theatre of hostilities, a further destruction of the energy infrastructure, as well as a decrease in international financial and military aid. These risks may limit or make impossible the Company's business activities in Ukraine. However, as of the end of the reporting year, the Company's ordinary operations have not been disrupted, and there are no active hostilities in the region where the Company's main assets are located.

The stabilization of the military, political and economic situation largely depends on the success of the joint efforts of Ukraine and the international community, but at the moment it is difficult to predict the further development of events, including the functioning of public authorities, enterprises and organizations in Ukraine.

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2025  
(in thousands of UAH, unless otherwise specified)

**2. The Company's operating environment (continued)**

The financial statements reflect the current assessment of the Company's management of the military, political and economic situation in Ukraine and its potential impact on the Company's activities and financial position. Further developments in the country may differ significantly from management's assessment.

**3. Summary of significant accounting policies**

**General information**

These financial statements were prepared according to the National Ukrainian Accounting Standards ("NP(S)BO"), which were approved by Ministry of Finance of Ukraine and registered by Ministry of Justice of Ukraine and were enacted as of the date of these financial statements and Law of Ukraine "On Accounting and Financial Reporting in Ukraine" (the "Law") on the preparation of the financial statements.

The functional and presentation currency of these financial statements of the Company is Ukrainian hryvnia. The financial statements have been prepared in thousands of UAH, unless otherwise specified.

The Company used the following main accounting policies for preparation of the financial statements:

**Functional currency**

The functional currency of the Company is Ukrainian Hryvnia ("UAH"), being the currency of the environment in which all business transactions are performed. Operations in currencies other than UAH are considered transactions in foreign currencies.

**Transactions in foreign currencies**

Transactions in foreign currencies are recorded in UAH at the exchange rate prevailing on the beginning of the date of the transaction.

All income, expenses and balances denominated in foreign currencies are translated into UAH using the official exchange rate by National Bank of Ukraine.

Foreign currency differences concerning monetary assets and liabilities are recognized at the reporting date and at the date of transaction within the reporting period.

Foreign currency exchange rates in which financial instruments of the Company are denominated in relation to UAH, according to the National Bank of Ukraine ("NBU"), were as follows:

	<b>As of 31 December 2025</b>	<b>Average for 2025</b>	<b>As of 31 December 2024</b>	<b>Average for 2024</b>
UAH/USD	42,3878	41,6902	42,0390	40,1521
UAH/EUR	49,8565	47,0853	43,9266	43,4504

**Significant accounting estimates and judgments**

Preparation of the financial statements requires from the Company's management to make estimates and assumptions which influence the presentation in the financial statements of the amounts of assets and liabilities, income and expenses recognized in the financial statements, as well as the disclosure of information about contingent assets and liabilities.

These management estimates and assumptions are based on the information available on the date of preparation of the financial statements. Actual results can differ from the current estimates. These estimates and assumptions are regularly reviewed, and, if adjustments are necessary, such adjustments are presented in profit and loss in the period in which it became known about them. Information on the most significant accounting judgments and assumptions of the Company's management is presented below.

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025

(in thousands of UAH, unless otherwise specified)

### 3. Summary of significant accounting policies (*continued*)

#### *Useful lives of non-current assets*

The Company estimates the remaining useful lives of non-current assets (property, plant and equipment, intangible assets) at least at the end of each financial year. Sometimes new expectations differ from previous estimates; these changes are considered to be a change in accounting estimates and are accounted for prospectively. These estimates can have a material influence on the carrying amount of non-current assets and depreciation and amortization charge recognized in the statement of comprehensive income.

#### *Valuation of property, plant and equipment*

In accordance with its accounting policy, the Company applies the revaluation model to its property, plant and equipment. As of December 31, 2025, the Company conducted a fair value assessment of its fixed assets, engaging an independent appraiser, to determine whether their carrying amounts were in line with their fair values. Based on the results of this assessment, the carrying amount of property, plant and equipment was adjusted to reflect their fair value, and the respective effects were recognised in the Company's financial statements.

#### *Impairment of property, plant and equipment*

At each reporting date, the Company assesses whether there are indicators of possible impairment of a specific asset or a group of assets forming a cash generating unit. The evaluation of impairment of property, plant and equipment requires application of estimates which include determining the reason, timing and the amount of impairment. The estimation of impairment is based on a number of factors such as change in current competitive environment, expectation of the expansion of industry, increase in cost of capital, changes in future accessibility of financing, technological deterioration, termination of a certain type of activity, the recoverable amount, and other changes in circumstances leading to the recognition of impairment.

#### *Allowance for doubtful debts*

Allowance for doubtful debts is accrued based on evaluation by the Company of the creditworthiness of specific debtors and maturity dates of overdue receivables. If the creditworthiness of any of large debtors worsens, or actual losses as a result of failure to fulfill the liabilities by debtors exceed the Company's estimates, the actual results can differ from the mentioned estimates. Accrual and recovery of allowance for doubtful debts can be significant.

#### *Valuation of inventories*

Inventories are measured at the lower of cost and net realizable value. When estimating the net realizable value of its inventories, management makes estimates based on various assumptions, including current market prices..

#### *Specifics of inventory accounting and calculation of production cost*

The Company accounts for inventories using the weighted average cost method.

Taking into account the specifics of the SAP program and the needs of the Company, it was decided to account for only the material component (direct material costs) in the accounts of 25000000, 26000000 according to the approved cost cards for finished goods. Accounts 25009000, 26009000 were created to account for all other costs, which in accordance with UAS 16 are included in the production cost, i.e. the cost of both direct (non-material) and "indirect" costs.

The process of costing of manufactured and sold products takes place in 2 stages:

- Standard costing of manufactured and sold products (material component) - account 26000 (for semi-finished goods 25000) - where the quantitative and cost accounting takes place.
- adjusting the actual cost of manufactured and sold products – account 26009 (for semi-finished goods 25009) - where cost accounting takes place.

Standard cost reflects the cost of material expenses for the production of finished products, which are calculated on the basis of economically justified norms and standards of their use (planned physical usage of resources multiplied by their planned cost).

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2025  
(in thousands of UAH, unless otherwise specified)

**3. Summary of significant accounting policies (*continued*)**

The following differences between the planned and actual cost of finished products are subject to adjustment, which are recorded in additionally created accounts 25009 and 26009:

- The difference between the actual and planned price of purchased materials which occurs when purchasing all materials for the production of finished goods as a result of deviations of the actual price from the planned price of such materials;
- The difference between the actual and planned volumes of use of production resources which occurs in the production process as a result of deviations of the actual and planned volume of used material resources.
- The total amount of non-material actual production costs to be attributed to the cost of production.

The calculation is made at the end of the month based on the planned production capacity. It means that the value of overhead costs per unit of finished goods to be distributed is determined.

The balance on technical accounts is calculated:

- For finished goods: as a product of the quantity of finished goods at the end of the month multiplied by the estimated value of overhead costs per kilogram of goods for this month;
- For semi-finished goods: as a product of the quantity of semi-finished goods at the end of the month multiplied by the estimated value of overhead costs per kilogram of goods for this month multiplied by a factor of 0.9.

*Transactions with related parties*

In the regular course of business the Company has transactions with related parties. NP(S)BO 13 requires financial instruments to be accounted for on initial recognition at fair value plus costs directly attributable to acquisition or disposal of the financial instruments. In case of absence of the active market for such transactions professional judgement is used to determine whether such transactions were carried out at market or non-market conditions. The pricing of similar types of transactions with unrelated parties and analysis of the effective interest rate are the basis for such judgements.

**Going concern assumption**

In the foreseeable future, the Company will continue to be affected by the unstable economy in the country. As a result, there is uncertainty that may affect future operations and the ability to recover the value of the Company's assets, its ability to service and repay its obligations as they fall due.

The Company's financial statements are prepared based on the assumption of a going concern, which provides for the realization of assets and the fulfilment of obligations in the course of ordinary activities. Therefore, these financial statements do not include any adjustments that might have been necessary if the Company were unable to continue as a going concern and if it did not dispose of its assets in the ordinary course of business.

It is expected that the war will affect the Company's financial results, but it is impossible to make a reliable estimate of such an effect on the financial statements. Management does not intend to liquidate the Company or cease its operations and expects the Company to be able to operate for at least 12 months from the date of these financial statements.

The ongoing military invasion of Ukraine by the Russian Federation and the related extensive damage to energy facilities and infrastructure, economic challenges and a potential decline in business activity increase uncertainty, which adversely affects the forecast of financial results for the next year. These and other events and conditions, including those set out in Note 2 to the financial statements, indicate the existence of material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern.

Based on the results of its operations in 2025 and 2024, the Company incurred a net loss of UAH 33 073 thousand and UAH 53 482 thousand, respectively. As at 31 December 2025, the Company had positive equity of UAH 90 592 thousand (31.12.2024: UAH 54 073 thousand). As at 31 December 2025, the Company's current liabilities exceeded its current assets by UAH 92 058 thousand (31.12.2024: UAH 117 830 thousand).

The Company is taking the following measures to address the liquidity shortage in the foreseeable future:

- The Company's management continues to negotiate with creditors to restructuring of the debt portfolio.
- Current liabilities include a significant portion of amounts due to related parties, which will be deferred, if necessary.

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025

(in thousands of UAH, unless otherwise specified)

### 3. Summary of significant accounting policies (*continued*)

In addition, the Company has received a letter of support from its parent company, according to which the parent company confirmed its intention to continue providing financial support to the Company, if necessary, to enable it to continue as a going concern for a period of at least 12 months from the date of approval of these financial statements. Such support includes, inter alia, financing of operating activities and, if necessary, settlement of intra-group balances, which, in accordance with the agreed terms, may be subordinated to other liabilities of the Company.

Management reasonably believes that:

- The Company has sufficient resources to continue its operations in the foreseeable future.
- The Company has the support of its parent company, along with liquidity management measures, which will enable it to meet its obligations in a timely manner;
- The Company is taking all necessary measures to support the stable development and growth of the Company's business under the current circumstances.
- The going concern assumption is appropriate for the financial statements.

#### **Revenue from sales of finished goods (merchandise, works and services)**

Revenue is recognized in accordance with NP(S)BO 15 "Revenue".

Revenue from the sale of finished goods (merchandise) is recognized when all the following conditions have been satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from services rendered is recognized pro rata to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reviewing the works completed up to date.

Revenue is not recognized if there is a significant uncertainty in respect of the amount to be received, related expenses or if return of sold products is probable.

Net revenue from sales of goods (merchandise, works, services) is recognized net of any granted discounts and rebates, value of the returned goods, revenue related to principals on commission agreements, taxes and fees.

The Company generates other income from sales of waste paper, income from sales of other current assets, income from sales of foreign currency. Other income is recognized if it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

#### **Expenses**

Expenses are recognized in accordance with NP(S)BO 16 "Expenses". Expenses are recognized as expenses of the period simultaneously with recognition of revenue, for generation of which they are incurred. Expenses that cannot be directly linked to revenue of the certain period are presented in expenses of the reporting period in which they are incurred.

If it is expected to receive of economic benefits during a number of accounting periods, expenses are recognized on the basis of a systematic and rational allocation of the asset's value (for example through depreciation or amortization) over the relevant periods.

#### **Taxation**

Income tax is accounted for and presented in the financial statements in accordance with NP(S)BO 17 "Income Tax". Income tax expenses include current tax expenses and deferred tax expenses. Deferred tax is charged or credited to profit or loss, except when it relates to items credited or charged directly to equity or other comprehensive income, in which case the deferred tax is also dealt with in equity or other comprehensive income.

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

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025

(in thousands of UAH, unless otherwise specified)

### 3. Summary of significant accounting policies (*continued*)

Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The applicable income tax rate in 2025 was 18%. The income tax rate for the future reporting periods is also fixed at 18%.

#### **Intangible assets**

Acquired intangible assets are initially recognized at cost. Cost of an acquired intangible asset consists of the price (cost) of acquisition, non-refundable duties and indirect taxes, and other costs directly related to its acquisition and bringing the item to the condition necessary for it to be capable of operating in the intended manner.

Cost of intangible assets is increased by expenditures for improvements and replacements that extend the useful lives of the assets or increase their revenue generating capacity.

Expenditures that do not meet the foregoing criteria for capitalization are charged to profit and loss.

After initial recognition, intangible assets are carried at cost less accumulated amortization and any accumulated impairment losses. Amortization of intangible assets is charged over their useful life, which is set at no more than 10 years.

Financial result on disposal of intangible assets is defined as the difference between income from their disposal (net of indirect taxes and costs associated with disposal) and their carrying amount at the date of disposal.

An impairment loss is recognized immediately in profit or loss simultaneously increasing accumulated amortization.

Research costs are recognized as expenses when incurred. Expenses for development are recognized as intangible assets when it is expected that these expenses will generate future economic benefits. Other expenses for development are recognized as expenses once incurred.

#### **Property, plant and equipment**

Classification and accounting for property, plant and equipment is carried out according to NP(S)BO 7 "Property, plant and equipment". After initial recognition, the Company uses revaluation model in accounting for property, plant and equipment. Fair value assessment is based on valuation, which was carried out by an external independent valuer. Frequency of revaluation depends on the change of assets' fair values. The most recent independent valuation of property, plant and equipment was carried out on 31 December 2025, and recognized as of 31 December 2025.

Additions to property, plant and equipment are initially recognized at cost. Cost includes expenses directly incurred on acquisition of property, plant and equipment and amounts paid to suppliers and contractors for the completion of the construction (except for indirect taxes which are reimbursed to the Company), non-refundable indirect taxes and duties associated with acquisition of the assets, expenses on installation and set-up of property, plant and equipment, expenses on preparation of construction grounds. Cost of property, plant and equipment is increased by amount of expenditure that extends the useful lives of the assets or increase their revenue generating capacity.

Any increase in the carrying amount resulting from revaluation is recognized in the revaluation reserve in equity through other comprehensive income. The decrease resulting from revaluation that offsets previously recognized increase in the same asset is recognized within revaluation reserve through other comprehensive income, and any further decreases are recognized in profit and loss.

Expenses for current repairs and maintenance are recognized as expenses in the reporting period.

The following criteria are used to determine the useful life of property, plant and equipment:

- the expected use of the asset by the Company based on its capacity or performance;
- expected physical and technological wear;
- legal and other restrictions on the useful lives of property, plant and equipment.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**3. Summary of significant accounting policies (continued)**

Depreciation of each group of property, plant and equipment is charged using the straight-line method over the estimated useful life, but not more than:

	<u>Years</u>
Buildings and structures	30
Machinery and equipment	12
Vehicles	7
Instruments, fixtures and fittings	6

Depreciation of other non-current tangible assets is charged at 100% when they are inputted into use. Depreciation is not charged on construction in progress and uninstalled equipment. Depreciation is suspended for the period of reconstruction, modernization, completion and conservation of property, plant and equipment.

The depreciation method, expected useful lives and the residual value of property, plant and equipment are reviewed by management at least once a year. The residual value is expected to be zero for most assets. Changes in estimates are adjusted on a prospective basis, if it is necessary. Depreciation is charged starting from the first day of the month following the month in which the item of property, plant and equipment is inputted into operation.

Construction in progress comprises cost of uncompleted construction (including uninstalled equipment), which is planned to be used by the Company, as well as prepayments made to buy items of construction in progress. Accounting for expenses concerning construction in progress is carried out separately for every item of construction in progress by expense type.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to flow from the continued use of the asset. Any gain or loss arising from the derecognition of the asset is calculated as the difference between the net disposal proceeds and the carrying amount of the item and is included in the statement of profit or loss.

**Impairment of non-current assets**

The Company assesses, at each reporting date, in accordance with NP(S)BO 28 "Impairment of assets" whether there is an indication that an asset may be impaired.

Assets subject to depreciation are assessed for impairment whenever any events or changes in circumstances indicate that the carrying amount of an asset may exceed its recoverable amount. The asset is impaired when the carrying value of the asset exceeds its recoverable amount. An impairment loss is recognized in the amount by which the carrying amount of the asset exceeds its recoverable amount.

The recoverable amount is higher of two estimates of an asset (or cash-generating unit): fair value less costs to sell and its value-in-use. For the purpose of impairment assessment, the assets are grouped into the smallest groups for which it is possible to allocate separately identifiable cash flows (cash-generating units).

**Borrowing costs**

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset are included in the cost of that asset.

The commencement date for capitalisation is the date when the Company first meets all of the following conditions:

- a) it incurs expenditures for the asset;
- b) it incurs borrowing costs;
- c) it undertakes activities that are necessary to prepare the asset for its intended use or sale.

Capitalization of borrowing costs continues up to the date when the assets are substantially ready for their use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

**Inventories**

The Company recognizes and accounts for inventories according to NP(S)BO 9 "Inventories".

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2025  
(in thousands of UAH, unless otherwise specified)

**3. Summary of significant accounting policies (continued)**

At the reporting date inventories are stated at lower of cost and net realizable value. Cost of inventories includes cost of purchase, transportation expenses, non-refundable customs duties directly related to inventories purchase and bringing them to the state in which they are ready for use. The unit of accounting for inventories is each individual item.

Inventories include raw materials, spare parts, finished goods, merchandise for further resale. Inventories are written off using weighted average method.

**Financial instruments**

The Company recognizes financial assets and liabilities, when it becomes a party to the contractual arrangement for a particular financial instrument.

Financial assets and liabilities are initially measured at fair value.

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet (Statement of financial position) if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**Effective interest rate method**

Effective interest rate method is the method of calculating the amortization of a discount or premium, in which the amount of amortization is defined as the difference between income at a fixed interest rate and the product of the effective interest rate and amortized cost at the beginning of the period for which interest is accrued.

**Financial assets**

Financial assets include trade receivables, other receivables and cash and cash equivalents. The Company's financial assets are non-derivative financial assets with fixed or determinable payments. They are measured at amortized cost using the effective interest rate method, less any impairment losses.

Interest income is recognized using the effective interest method, except for short-term receivables.

**Accounts receivable**

Accounts receivable are recognized, measured and accounted for according to NP(S)BO 10 "Accounts receivable". Accounts receivable are carried net of allowance for doubtful debts. Allowance for doubtful debts is accrued individually based on maturity of accounts receivable and past experience.

When accounts receivable are recognized unrecoverable, they are written off through the doubtful debts account.

Increase in allowance for doubtful debts and write-offs over allowance for doubtful debts are recognized within other operating expenses.

Other accounts receivable include receivables not related to operating activity, loans granted, settlements with State budget, VAT receivables, deferred expenses.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash in banks in local and foreign currencies.

**Derecognition of financial assets**

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards associated with ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, it recognizes its remaining interest in the asset and an associated liability it is required to settle.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, it continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025

(in thousands of UAH, unless otherwise specified)

### 3. Summary of significant accounting policies (*continued*)

Upon full derecognition of a financial asset, the difference between the carrying amount of the asset and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

#### **Financial liabilities and equity instruments issued by the Company**

##### **Classification as debt instruments or equity instruments**

Debt instruments and equity instruments are classified either as financial liabilities or as equity in accordance with the nature of the contractual relationship and the definitions of the financial liability and equity instrument.

##### **Equity instruments**

Equity instrument is any contract that gives rise to the right to a part of the Company's assets that remains after deducting all of its liabilities.

##### **Financial liabilities**

Financial liabilities are classified as "other financial liabilities".

Other financial liabilities, including trade payables, payroll payables and other current liabilities, are initially measured at fair value less transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method.

##### **Derecognition of financial liabilities**

The Company derecognizes financial liabilities only if the Company's obligations are fulfilled, paid off or have expired. The difference between the carrying amount of a financial liability that is derecognized and the consideration paid and/or payable is recognized in profit or loss.

##### **Liabilities**

Liabilities are recognized and accounted for according to UAS 11 "Liabilities". Liability is recognized if its amount can be measured reliably and it is probable that the economic benefits associated with the transaction will flow from the Company when liability is settled. If at the reporting date previously recognized liability is no longer repayable its amount is recognized as income of the period. Current liabilities are recognized in the amount of their expected repayment amount.

##### **Provisions**

The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Expenses related to provisions are recognized in profit and loss.

##### *Provision for unused vacations*

Provision for unused vacations is presented in line 710 "Provision for unused vacations" of Section VII "Provisions" of the notes to the financial statements. Provision for unused vacations is calculated based on the actual number of days worked and the average daily wage of employees.

##### **Leasing**

A lease is classified as a financial lease if it transfers substantially all the risks and rewards incidental to ownership of an asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an asset.

Lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the lease term. When the Company is a lessor and all risks and rewards under an operating lease are not transferred to a lessee, a total amount of operating lease payments is recognised in the statement of comprehensive income using a proportionate recognition method over the lease term.

NOTES TO THE FINANCIAL STATEMENTS  
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**3. Summary of significant accounting policies (continued)**

**Equity**

According to Ukrainian legislation enterprises can distribute all profit determined according to NP(S)BO as dividends or transfer it to reserves according to their statutes. Further use of funds transferred to reserves may be legally restricted; the amounts transferred to reserves should normally be used for the purposes specified at the time of transfer. The distribution of profits is declared mainly only from the amounts of current profit or accumulated profit reflected in the financial statements in accordance with NP(S)BO, and not from the amounts transferred to reserves.

**Contingent liabilities and contingent assets**

Contingent liabilities are not recognised in the financial statements unless there is the possibility of an outflow of resources embodying economic benefits when liabilities is repaid and a reliable estimate of such liabilities can be made.

The information on contingent liabilities is disclosed in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in the financial statements but they are disclosed when an inflow of economic benefits is possible. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognised in the financial statements of the period in which the change occurs.

**Events after reporting date**

Events, which took place after the reporting date and prior to the date of approval of the financial statements to be issued which provide additional information regarding the financial statements of the Company, are reflected in the financial statements.

The events which took place from the end of the reporting period to the date of approval of the financial statements which provide information about the conditions that arose after the reporting period and which do not influence the financial statements of the Company as of the reporting date, are disclosed in notes to the financial statements if these events are significant.

**Transactions with related parties**

Information about transactions with related parties is disclosed in accordance with NP(S)BO 23 "Disclosure of Information about Related Parties".

**Reporting segments**

Reporting operating or geographical segments include the separate parts of the Company's activity in the production and/or sale of a particular type (or group) of products (finished goods, works, services) in a particular economic environment that are different from others. The Company has concluded that its activities do not give rise to operating or geographical segments that meet the majority of criteria for reportable segment defined in NP(S)BO 29 "Reporting segments".

**Changes in accounting policy**

In 2025 there were no changes in accounting policy which could significantly influence the Company's financial statements.

**4. Net revenue from sales of finished goods (merchandise, works, services)**

	<b>2025</b>	<b>2024</b>
Revenue from sales of merchandise	883 598	892 055
Revenue from sales of finished goods	612 161	542 226
Revenue from rendering of services	17 484	7 509
	<b>1 513 243</b>	<b>1 441 790</b>

NOTES TO THE FINANCIAL STATEMENTS  
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**5. Cost of sales of finished goods (merchandise, works, services)**

	<b>2025</b>	<b>2024</b>
Cost of merchandise sold	823 889	835 519
Cost of finished goods sold	567 912	565 050
Cost of services provided	16 809	6 959
	<b>1 408 610</b>	<b>1 407 528</b>

Cost of finished goods sold is presented as follows:

	<b>2025</b>	<b>2024</b>
Raw materials	442 808	469 962
Depreciation and amortization	30 179	25 349
Labor costs	29 923	28 814
Utility services	27 314	22 012
Social security charges	6 505	6 257
Other operating expenses	31 183	12 656
	<b>567 912</b>	<b>565 050</b>

**6. Other operating income**

	<b>2025</b>	<b>2024</b>
Operating exchange rate difference	4 588	3 149
Income from sale of production waste	2 466	-
Income from sale of other current assets	854	1 753
Interest income on current account balances	728	250
Income forfeits	-	-
Gain from foreign currency purchase and sale transactions	409	870
Accounts payable written-off	4	-
Insurance compensation	-	516
Other income from operating activities	276	531
	<b>9 872</b>	<b>7 069</b>

**7. Administrative expenses**

	<b>2025</b>	<b>2024</b>
Labor costs	24 000	19 793
Professional services	4 549	4 265
Travel expenses	1 734	1 112
Bank services	1 085	1 677
Depreciation and amortization	881	946
Materials used	709	739
Communication, office expenses	537	421
Rent and maintenance of premises	289	254
Repairs and maintenance of equipment	287	1 370
Other expenses	1 333	1 804
	<b>35 404</b>	<b>32 381</b>

**8. Selling expenses**

	<b>2025</b>	<b>2024</b>
Transportation costs	13 636	14 682
Labor costs	5 898	4 824
Depreciation and amortisation	227	231
Professional services	-	195
Other expenses	41	35
	<b>19 802</b>	<b>19 967</b>

NOTES TO THE FINANCIAL STATEMENTS  
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**9. Other operating expenses**

	<b>2025</b>	<b>2024</b>
Operating exchange rate difference	53 827	21 395
Loss from foreign currency purchase and sale transactions	2 364	1 141
Cost of inventories sold	686	1 069
Shortages and losses due to damage to assets	160	-
Fines and penalties	29	26
Other expenses	645	-
	<b>57 711</b>	<b>23 631</b>

**10. Other income**

	<b>2025</b>	<b>2024</b>
Gain on sale of non-current assets	511	836
Gain on valuation of non-current assets	203	-
Assets received free of charge	199	28
Non-operating exchange rate differences	-	5 791
	<b>913</b>	<b>6 655</b>

**11. Financial expenses**

	<b>2025</b>	<b>2024</b>
Loan interest	17 603	13 916
Losses from financial liabilities at amortized cost	-	1 139
Other financial expenses	528	515
	<b>18 131</b>	<b>15 570</b>

**12. Other expenses**

	<b>2025</b>	<b>2024</b>
Impairment of non-current assets	9 662	-
Expenses from non-operational exchange rate differences	6 413	8 666
Cost of non-current assets sold	1 293	670
Charity	703	946
Non-current assets written-off	250	-
	<b>18 321</b>	<b>10 282</b>

**13. Income tax**

The components of the income tax expense are presented below:

	<b>2025</b>	<b>2024</b>
Current income tax	1 582	300
Deferred income tax	(2 460)	(577)
	<b>(878)</b>	<b>(277)</b>

NOTES TO THE FINANCIAL STATEMENTS  
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**13. Income tax (continued)**

The reconciliation of income tax expense and profit before tax multiplied by the applicable tax rate for the years ended 31 December 2025 and 2024 is presented below:

	<u>2025</u>	<u>2024</u>
<b>Profit / (loss) before tax</b>	(33 951)	(53 759)
Income tax at applicable tax rate, 18%	(6 111)	(9 677)
Tax impact of permanent differences on other operating expenses	5 953	9 332
Changes in unrecognized deferred tax assets	(720)	68
<b>Income tax expense</b>	<b>(878)</b>	<b>(277)</b>

Deferred tax liabilities of the Company as of 31 December were as follows:

	<u>31 December 2025</u>	<b>Financial results</b> Origination and reversal of temporary differences	<b>Other comprehensive income</b> Origination and reversal of temporary differences	<u>31 December 2024</u>
<b>Deferred tax assets</b>				
Property, plant and equipment	2 171	1 726	-	445
<b>Deferred tax liabilities</b>				
Property, plant and equipment	(12 940)	734	(5 475)	(8 199)
<b>Deferred tax assets/(liabilities)</b>	<b>(10 769)</b>	<b>2 460</b>	<b>(5 475)</b>	<b>(7 754)</b>
	<u>31 December 2024</u>	<b>Financial results</b> Origination and reversal of temporary differences	<b>Other comprehensive income</b> Origination and reversal of temporary differences	<u>31 December 2023</u>
<b>Deferred tax assets</b>				
Property, plant and equipment	445	(90)	-	535
<b>Deferred tax liabilities</b>				
Property, plant and equipment	(8 199)	667	-	(8 866)
<b>Deferred tax assets/(liabilities)</b>	<b>(7 754)</b>	<b>577</b>	<b>-</b>	<b>(8 331)</b>

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**14. Inventories**

As of the reporting dates the Company's inventories consisted of the following:

	<b>31.12.2025</b>	<b>31.12.2024</b>
Raw materials	36 282	26 965
Merchandise	34 038	34 250
Finished goods	14 847	15 354
Spare parts	14 332	9 539
Supporting materials	7 281	8 710
Work-in-progress	4 791	7 689
Fuel	628	956
Low-value and perishable items	244	174
Building materials	1	-
	<b>112 444</b>	<b>103 637</b>

**15. Accounts receivable from State budget**

Accounts receivable from State budget consisted of the following:

	<b>31.12.2025</b>	<b>31.12.2024</b>
Value added tax	3 068	3 010
Income tax	1 241	1 829
Other taxes and fees	37	117
	<b>4 346</b>	<b>4 956</b>

**16. Cash and cash equivalents**

The Company's cash and cash equivalents are presented below:

	<b>31.12.2025</b>	<b>31.12.2024</b>
Current bank accounts in national currency	254	7 243
Deposit bank accounts in national currency	295	95
	<b>549</b>	<b>7 338</b>

The Company places temporarily available funds on deposit accounts with a Ukrainian bank. Interest is calculated at the rate specified in the agreements (0.1% per annum) and paid monthly by transfer to the Company's current account. The agreements provide for the possibility of automatic renewal and early return of deposits.

**17. Registered (share) capital**

As of 31 December 2025, registered (share) capital was fully paid and amounted to:

	<b>Share 2025, %</b>	<b>Share 2024, %</b>	<b>31.12.2025</b>	<b>31.12.2024</b>
JSC "Plastchim-T"	100%	100%	59 169	12 000
	<b>100%</b>	<b>100%</b>	<b>59 169</b>	<b>12 000</b>

On 13 June 2024, a portion of the 100% stake held by Tatrafan LLC in the registered (share) capital of Plastchim Ukraine LLC was sold, specifically, shares with a par value of 6 000 thousand UAH, for a price of 550 thousand EUR to JSC "Plastchim-T". On 18 June 2025, the state registration of the change in the membership of Plastchim Ukraine LLC was carried out.

On 14 April 2025, the Company held a general meeting of shareholders, at which a resolution was adopted to increase the Company's authorized capital by contributing cash in the amount of 1 000 thousand EUR, equivalent to 47 169 thousand UAH.

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**17. Registered (share) capital (continued)**

As of 31 December 2025 and 2024, the Company's controlling party was JSC "Plastchim-T".

**Revaluation reserve**

The excess of previous revaluation increases of an item of property, plant and equipment over previous decreases in its carrying amount is recognised on a monthly basis, in an amount proportionate to the depreciation charged, in retained earnings, with a corresponding decrease in the revaluation surplus. As of 31 December 2025, revaluation reserve consisted of the revaluation reserve of property, plant and equipment in the amount of UAH 58 941 thousand (2024: UAH 37 352 thousand).

**18. Bank loans**

	<u>31.12.2025</u>	<u>31.12.2024</u>
Long-term bank loans		
Long-term bank loans (line 1510)	63 280	80 006
	<b>63 280</b>	<b>80 006</b>
Short-term bank loans		
Short-term bank loans (line 1600)	24 961	-
Current share of long-term bank loans (line 1610)	16 243	17 760
Accrued interest (line 1690)	329	420
	<b>41 533</b>	<b>18 180</b>
	<b>104 813</b>	<b>98 186</b>

Key terms and characteristics of bank loans as of 31 December 2025 are presented as follows:

Bank	Maturity date	Interest rate type	Currency	Contract type	Repayment up to 1 year	Repayment from 1 to 5 years
JSC "PUMB"	01.06.2027	fixed	UAH	Revolving credit facility	10 260	63 280
JSC "PUMB"	10.04.2028	fixed	UAH/EUR	Revolving credit facility	5 983	-
JSC "PUMB"	10.04.2028	fixed	UAH	Overdraft	24 961	-

Key terms and characteristics of bank loans as of 31 December 2024 are presented as follows:

Bank	Maturity date	Interest rate type	Currency	Contract type	Repayment up to 1 year	Repayment from 1 to 5 years
JSC "PUMB"	01.06.2027	fixed	UAH	Revolving credit facility	2 460	73 540
JSC "PUMB"	10.04.2028	fixed	UAH	Revolving credit facility	15 300	6 466

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**18. Bank loans (continued)**

Movements in bank loans for the year ended 31 December 2025 and 31 December 2024 were as follows:

	Bank loans	Interest	Total
<b>Balances as of 31.12.2023</b>	<b>61 018</b>	<b>668</b>	<b>61 686</b>
<i>Cash flows:</i>			
Receipt of loans	54 263	-	<b>54 263</b>
Repayment of loans	(17 747)	-	<b>(17 747)</b>
Payment of interest	-	(13 463)	<b>(13 463)</b>
<i>Non-cash transactions:</i>			
Capitalization of interest	-	1 219	<b>1 219</b>
Accrued interest	-	12 074	<b>12 074</b>
Exchange rate difference	232	(78)	<b>154</b>
<b>Balances as of 31.12.2024</b>	<b>97 766</b>	<b>420</b>	<b>98 186</b>
<i>Cash flows:</i>			
Receipt of loans	39 987	-	<b>39 987</b>
Repayment of loans	(34 265)	-	<b>(34 265)</b>
Payment of interest	-	(15 111)	<b>(15 111)</b>
<i>Non-cash transactions:</i>			
Accrued interest	-	15 020	<b>15 020</b>
Exchange rate difference	996	-	<b>996</b>
<b>Balances as of 31.12.2025</b>	<b>104 484</b>	<b>329</b>	<b>104 813</b>

Information on property, plant and equipment pledged as collateral to secure the Company's obligations under bank loans as of 31 December 2025 is provided in Note II. Property, plant and equipment.

**19. Current payables for goods, works, services**

The Company's current payables for: goods, works, services as at 31 December 2025 and 31 December 2024 were as follows:

	31.12.2025	31.12.2024
Payables for goods, works, services	382 676	444 322
Accounts payable to supplier of equipment	11 243	12 984
	<b>393 919</b>	<b>457 306</b>

In January 2021, the Company entered into a contract to purchase used equipment from a foreign supplier. Payment for equipment in accordance with the terms of the contract should be made in equal installments, quarterly, starting from the first quarter of 2021 and ending in the first quarter of 2026.

The Company recognized long-term accounts payable in accordance with the requirements of NP(S)BO 11 "Liabilities", i.e. it at present value at the date of delivery of equipment.

The balances of short-term accounts payable as at 31.12.2025 and 31.12.2024 were as follows:

	31.12.2025	31.12.2024
Accounts payable to supplier of equipment	11 243	13 481
Unwinded discount	-	(497)
<b>Present value</b>	<b>11 243</b>	<b>12 984</b>
Short-term portion (presented in line 1615)	11 423	12 984

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**20. Other current liabilities**

The Company's other current liabilities as at 31 December 2025 and 31 December 2024 were as follows:

	<b>31.12.2025</b>	<b>31.12.2024</b>
Borrowings received in foreign currency	49 857	43 927
Interest accrued	5 854	3 093
VAT on prepayments made	910	732
Other current liabilities	4	56
	<b>56 625</b>	<b>47 808</b>

The key terms and conditions of the borrowings received in foreign currency as of 31 December 2025 and 31 December 2024 are set forth below:

Lender	Maturity date	Interest rate type	Currency	31.12.2025	31.12.2024
JSC "Plastchim-T".	31.03.2026	Fixed (5% per year)	EUR	49 857	43 927

Changes in foreign currency loans for the years ended 31 December 2025 and 31 December 2024 are presented as follows:

	Loans and borrowings	Interest	Total
<b>Balance as of 31 December 2023</b>	<b>42 208</b>	<b>457</b>	<b>42 665</b>
<i>Cash flows:</i>			
Receipt of loans	1 719	36	1 755
<i>Non-cash transactions:</i>			
Exchange rate differences	-	1 842	1 842
Accrued interest	-	338	338
<b>Balance as of 31 December 2024</b>	<b>43 927</b>	<b>2 673</b>	<b>46 600</b>
<i>Cash flows:</i>			
Payment of interest	-	(2)	(2)
<i>Non-cash transactions:</i>			
Exchange rate differences	5 930	484	6 414
Accrued interest	-	2 370	2 370
<b>Balance as of 31 December 2025</b>	<b>49 857</b>	<b>5 525</b>	<b>55 382</b>

**21. Disclosure to Cash Flow Statement**

**Cash flows from operating activities (other payments):**

	<b>2025</b>	<b>2024</b>
Fines and penalties	2 513	1
Payments for purchases and sales of foreign currency	1 956	255
Settlements with accountable persons	1 353	945
Payments for bank services	1 089	1 670
Repayment of short-term repayable aid	117	9 800
Other payments	440	301
	<b>7 468</b>	<b>12 972</b>

**22. Transactions with related parties**

For the purposes of these financial statements, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. Related parties may engage in transactions that may not always be set with unrelated parties and may not be based on the same terms, conditions and amounts of transactions that take place between unrelated parties.

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**22. Transactions with related parties (continued)**

The Company's management (2025: 3 persons, 2024: 3 persons) received the following compensation during the years ended 31 December, which is included in payroll and related charges within administrative expenses:

	<u>2025</u>	<u>2024</u>
Current payments to employees	3 796	3 529

The balances of trade and other receivables due from related parties as at 31 December were as follows:

	<u>31.12.2025</u>	<u>31.12.2024</u>
Companies under common control	-	33 263
	-	<b>33 263</b>

The balances of trade and other payables due to related parties as at 31 December were as follows:

	<u>31.12.2025</u>	<u>31.12.2024</u>
Parent company	328 504	379 212
Companies under common control	-	2 747
	<b>328 504</b>	<b>381 959</b>

The Company had the following transactions with related parties:

	<u>2025</u>	<u>2024</u>
<b>Parent company</b>		
Purchases of goods, works, services	819 481	774 403
Sales of goods, works, services	-	91 251
	<u>2025</u>	<u>2024</u>
<b>Companies under common control</b>		
Sales of goods, works, services	-	168 056
Purchases of goods, works, services	-	142 843
Repayment of financial aid	-	9 800
Purchase of property, plant and equipment	-	248

*Terms and conditions of transactions with related parties*

The balances with related parties at the end of the reporting period are unsecured and are repayable in cash. Related party balances are interest-free. The Company did not receive any financial guarantees from related parties. For the years ended 31 December 2025 and 31 December 2024, the Company did not recognize an impairment loss from receivables due from related parties.

**23. Contingencies and contractual commitments**

**Taxation**

Management believes the Company complied with all applicable tax legislation.

**Legal issues**

As of 31 December 2025 and 2024, no significant claims or complaints were addressed to the Company.

**Social liabilities**

The Company makes contributions to obligatory and voluntary social programs. The Company's social assets and social programs contribute to public benefits in wide sense and usually are not restricted only to the Company's employees.

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**24. Fair value of financial instruments**

The Company's financial instruments comprise cash and cash equivalents, trade and other receivables, bank loans, other long-term liabilities, trade and other payables. The carrying amount of the Company's financial assets and liabilities as of 31 December 2025 and 2024 is presented in the table below:

	<b>31.12.2025</b>	<b>31.12.2024</b>
<b>Financial assets</b>		
Trade receivables	285 526	297 957
Cash and cash equivalents	549	7 338
Other current receivables	135	59
	<b>286 210</b>	<b>305 354</b>
	<b>31.12.2025</b>	<b>31.12.2024</b>
<b>Financial liabilities</b>		
Current accounts payable for goods, works, services	393 919	457 306
Long-term bank loans	63 280	80 006
Short-term bank loans	24 961	-
Current payables for long-term liabilities	16 243	17 760
Other current liabilities	55 715	47 076
	<b>554 118</b>	<b>602 148</b>

Carrying amount of financial instruments of the Company approximates their fair value.

Fair value of assets and liabilities is determined as follows.

Fair value of assets and liabilities for which quoted prices for identical assets or liabilities are available in active markets to which the Company has access at the measurement date is determined based on those quotations.

Fair value of assets and liabilities not traded on active markets is determined based on the different valuation techniques based mainly on market or income approach, namely discounted cash flow method. These techniques are in first place based on observable input data, if available. In case such observable input data are not available the Company uses internal data specific to the Company.

**25. Financial instruments and risk management**

**Capital management**

The Company manages its capital to ensure the Company's ability to continue as a going concern and maximize its profitability through optimization of debt to equity ratio. Management regularly reviews the capital structure of the Company. Based on the management review the Company takes steps to balance its capital structure.

**Credit risk**

The Company faces credit risk, which represents the risk that a counterparty will fail to meet its contractual obligations in full when they fall due. Financial assets of the Company comprise cash and cash equivalents and trade and other receivables.

The maximum level of credit risk of the Company as a whole is reflected in the carrying amount of financial assets, which is shown in the statement of financial position.

The Company's policy on credit risk management is aimed at carrying out operations with contractors with a positive reputation and credit history. The Company's cash and cash equivalents are mainly placed in major Ukrainian banks with solid reputation. The Company constantly monitors its accounts receivable with aim to identify and timely react to the worsening of the liquidity of the Company's counterparties.

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**25. Financial instruments and risk management (continued)**

The average credit period provided to customers during the year ended 31 December 2025 was 69 days (2024: 75 days).

As of 31 December 2025, the balance of the Company's 5 largest trade debtors accounted for 77,72% of the total trade receivables balance (31 December 2024: 77,46%).

**Liquidity risk**

Liquidity risk is the risk that the Company may face difficulties while repaying its financial liabilities. The Company's liquidity position is carefully monitored and managed. The Company uses detailed budgeting and cash flow forecast to keep a proper level of highly liquid assets to repay its liabilities as they fall due. The majority of the Company's expenses is variable and depends on the volume of the goods sold.

The following table details the Company's remaining contractual maturity for its financial liabilities.

The table has been drawn up based on the undiscounted cash flows of financial liabilities using the earliest date on which the Company can be required to pay. The table includes both the principal amount of the debt and interest as of 31 December 2025 and 2024. The amounts in the table may not be equal to the statement of financial position carrying amounts since the table includes all cash outflows on an undiscounted basis.

<b>31.12.2025</b>	<b>Book value</b>	<b>On demand</b>	<b>Up to 3 months</b>	<b>3-12 months</b>	<b>1-5 years</b>	<b>Total</b>
Current accounts payable for goods, works, services	<b>393 919</b>	-	380 935	12 984	-	<b>393 919</b>
Long-term bank loans including short-term portion	<b>79 523</b>	-	10 906	31 714	90 453	<b>133 073</b>
Short-term bank loans	<b>24 961</b>	-	1 560	27 613	-	<b>29 173</b>
Other current liabilities	<b>55 715</b>	-	56 338	-	-	<b>56 338</b>
	<b>554 118</b>	-	<b>449 739</b>	<b>72 311</b>	<b>90 453</b>	<b>612 503</b>
<b>31.12.2024</b>	<b>Book value</b>	<b>On demand</b>	<b>Up to 3 months</b>	<b>3-12 months</b>	<b>1-5 years</b>	<b>Total</b>
Current accounts payable for goods, works, services	<b>457 306</b>	-	444 322	12 984	-	<b>457 306</b>
Long-term bank loans including short-term portion	<b>97 766</b>	-	6 494	18 283	84 317	<b>109 094</b>
Other long-term liabilities	<b>47 076</b>	-	47 625	-	-	<b>47 625</b>
	<b>602 148</b>	-	<b>498 441</b>	<b>31 267</b>	<b>84 317</b>	<b>614 025</b>

**Foreign currency risk**

Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates in relation to the national currency. Exposure to foreign currency risk relates to monetary assets and liabilities denominated in foreign currencies.

The Company operates in the Ukrainian market and generates cash flows in UAH (functional currency) and foreign currencies by selling manufactured goods and products. The Company incurs operating expenses mainly in functional currency.

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**25. Financial instruments and risk management (continued)**

The table below shows the concentration of currency risk as at 31 December:

<b>31.12.2025</b>	<b>Euro</b>
<b>Financial assets</b>	
Trade receivables	16 222
	<b>16 222</b>
<b>Financial liabilities</b>	
Trade payables	(351 803)
Other current liabilities	(55 382)
	<b>(407 185)</b>
	<b>(390 963)</b>
<b>31.12.2024</b>	<b>Euro</b>
<b>Financial assets</b>	
Trade receivables	19 599
	<b>19 599</b>
<b>Financial liabilities</b>	
Trade payables	(369 223)
Other current liabilities	(46 598)
	<b>415 821</b>
	<b>(396 222)</b>

The table below shows the sensitivity analysis of the Company's profit / (loss) before tax to probable change in foreign currency exchange rates, provided all other variables remain constant.

	<b>Increase (decrease) in foreign currency exchange rate, %</b>	<b>Effect on profit (loss) before tax</b>
<b>2025</b>		
EUR	20	(78 193)
EUR	(5)	19 548
	<b>Increase (decrease) in foreign currency exchange rate, %</b>	<b>Effect on profit (loss) before tax</b>
<b>2024</b>		
EUR	20	(79 244)
EUR	(5)	19 811

**26. Events after reporting date**

After the reporting date and until the date of approval of these financial statements there were no significant events which would provide additional information about the financial statements of the Company and which would have to be reflected in the financial statements.